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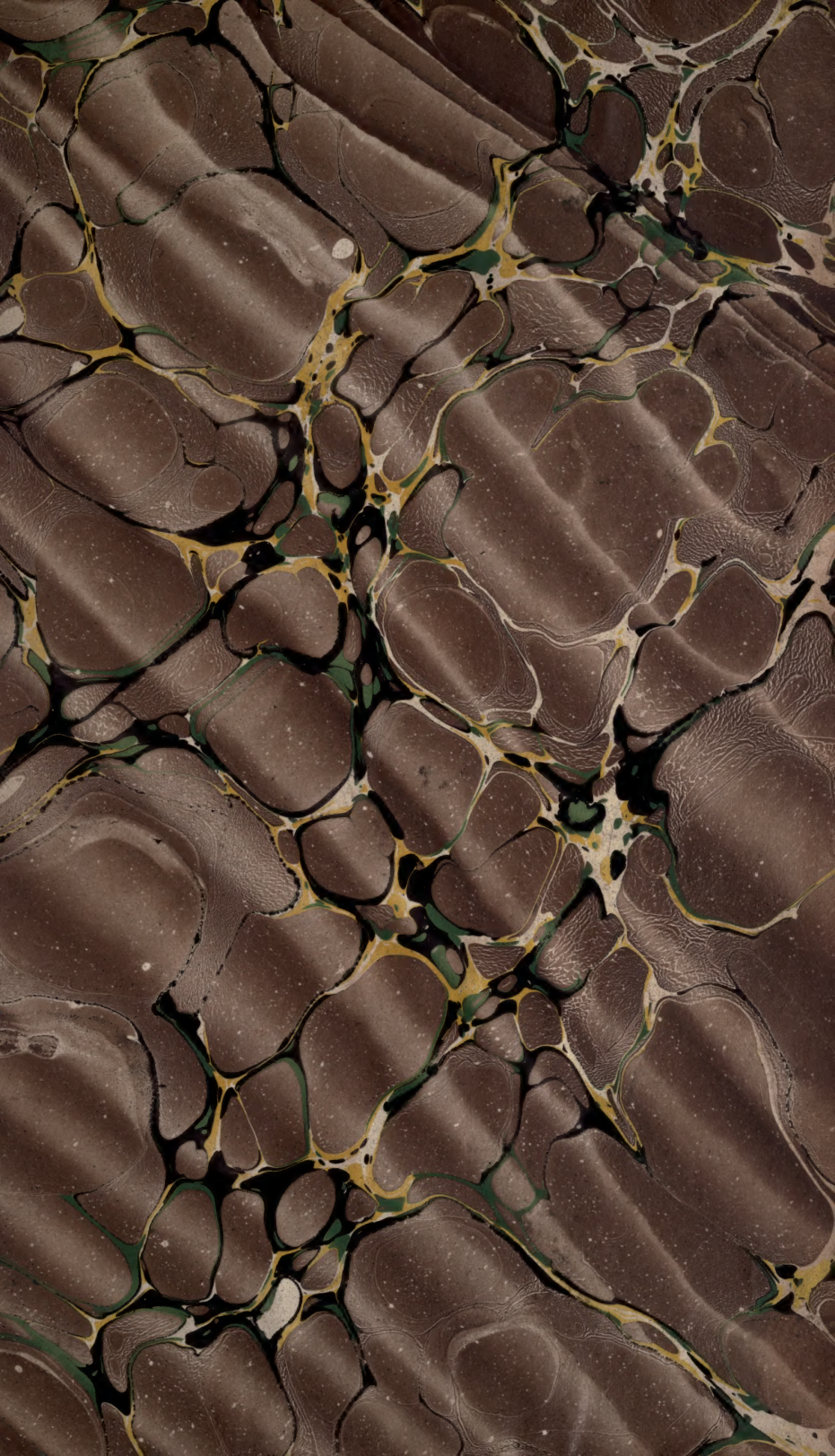
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BY DANIEL WEBSTER

VOL. III

NEW YORK

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1845

SPEECHES

AND

FORENSIC ARGUMENTS

BY DANIEL WEBSTER.

VOL. III.

BOSTON:

PUBLISHED BY TAPPAN AND DENNET.

1843.



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PREFACE.

SINCE the publication of the second volume of Mr. WEBSTER'S "SPEECHES," his Congressional career has been brought to a close. Having been invited by the lamented HARRISON to take a place in his Cabinet, Mr. Webster resigned his seat in the Senate of the United States, in February, 1841, and, on the 6th of March following, entered on the duties of the Department of State. The ability and success with which he has conducted the foreign affairs of the country, in this new sphere of public service, need no remark. The Treaty between the United States and Great Britain, negotiated by him and Lord Ashburton, has been too recently proclaimed to require to be recalled to any body's remembrance. Ratified, on our side of the ocean, by four fifths of the Senate, without distinction of party, it has been hailed by the whole People as an honorable and highly advantageous settlement of controversies by which the Peace of the Nation had long been endangered. It is the purpose of the Publishers, at a future day, to collect into a volume the State Papers of Mr. Webster on the subject of this Treaty, and on other subjects which he may have been called on to treat in the station which he now occupies. In the mean time, they have thought that they should render an acceptable service to the Public by completing the series of Mr. Webster's "SPEECHES," delivered in the Senate and before the People, previously to his entering upon Executive office. With this view, the present volume has been prepared. In submitting it to the Country, the Publishers avail themselves of the opportunity to connect in a permanent form with Mr. Webster's Works, the following just vindication of his political course and character from charges which the wantonness of party warfare has too often arrayed against him : —

MR. WEBSTER AND HIS REVILERS.

[FROM THE NATIONAL INTELLIGENCER OF APRIL 24, 1841.]

It is the practice of demagogues, in all free governments, to seek the direction of public opinion, by keeping alive old prejudices, or exciting new ones. In no country has this artifice been more freely or frequently resorted to than in our own, nor by any party in it so systematically and intolerantly as by that which has sprung up of late years, and assumed to itself the name of *Democratic*, but which, so far from possessing the elements of true and enlightened democracy, is imbued and guided by the very spirit of despotism. Let any man have labored as long or as signally as he may in support of the rights of his country, of the national prosperity, of the Constitution, and of public liberty, — let his whole career have been marked by public usefulness, and his patriotism be as unblemished as the sun, — these shall all weigh as nothing in the scale, if he stand in the way of disappointed office-seekers, or of ambitious and aspiring partisans. Can nothing better be found to serve the ends of party rancor, he shall, though he be patriotism and purity personified, be hunted down and sacrificed, without scruple or remorse, to superannuated prejudices, or mere political abstractions. There is not one among the men whose names adorn the annals of our country, who has suffered more from this species of injustice than the present Secretary of State. This eminent citizen, whose name, in the most remote regions of the globe, sheds a lustre on the fame of his country, is at home assailed with all the malevolence of an intolerant faction, on the score of political incidents which took place before one half of our readers were born, and which, whatever were their merit, ought, after such a lapse of time, to be considered, upon any fair construction, as barred, by the statute of limitations, from any title to a place in political controversies of the present day. We had occasion to say the same thing not much more than six months ago, when an assault of this sort was made, and justly rebuked by public opinion, on the occasion of Mr. Webster's visit to the city of Richmond. Nor was it any new opinion of ours; for it was, upon an occasion which then offered, expressed with equal confidence six years ago, and has been entertained by us, with the same earnestness of conviction, more than twenty years gone by. It is preposterous to be ripping up any man's life for thirty or forty years, to discover whether, at some time or other, he has not differed in opinion from some other man or men who have long since gone down to the home of all the living.

against executing the laws. He was as ready to defend the country as the warmest patriot; and we have seen it stated, what is no doubt true, that when Portsmouth, the town in which he then lived, was supposed to be in danger of an immediate attack by the enemy, he was placed, on the nomination of John Langdon, at the head of a committee raised for its defence.

In Mr. Webster's speech, 21st March, 1838, in reply to Mr. Calhoun, he challenged that gentleman to show that he ever gave an unpatriotic vote, during the war or at any other time. He admitted that, *with Mr. Calhoun*, he had preferred to carry on the war with England *on the ocean*, and had indicated that preference by his votes, as had Mr. Calhoun and others. It is well known that, on the occasion referred to, Mr. Calhoun, who has served with Mr. Webster for nearly thirty years in Congress, and who well knew what his votes were during the war, was perfectly silent when this challenge was made.

VII. "He also voted against a bill to provide additional revenue for the support of the Government and the public credit, and also against an appropriation for rebuilding the Capitol, which had been destroyed by the enemy."

The answer given to the fourth charge is the answer to the seventh, except that under the seventh head is contained, also, a very disingenuous charge—that Mr. Webster voted against a bill to provide for the rebuilding of the Capitol after it had been destroyed by the enemy.

The unfairness and falsity of this charge are shown by an examination of the record. The Journal shows the following legislation in respect to rebuilding the Capitol. It is to be remembered, however, that, in consequence of a domestic calamity, Mr. Webster did not take his seat in Congress, in 1814, until the 15th day of October. On the 26th of September, Mr. Fisk, of New York, a distinguished friend of the administration of Mr. Madison, moved for a committee "to inquire into the expediency of removing the seat of Government, during the session of Congress, to a place of better security and less inconvenience." The motion prevailed; ayes 72, noes 51. This was not a party vote, as the record shows.

On the 3d of October, the committee reported "that it was *inexpedient*, at this time, to remove the seat of Government;" but Mr. Fisk himself moved to amend the report by striking out the word "*inexpedient*," and substituting "*expedient*." On this motion the vote stood 63 to 63, and the Speaker (Mr. Cheves) declaring himself for the amendment, it was adopted, and the amended resolution was referred to a Committee of the Whole House.

October 4. The order of the day on this subject being called for, Mr. Newton moved its indefinite postponement. This was negatived; yeas 61, nays 77; and not a party vote, as the Journal shows.

October 6. The report of the committee, having been reported back to the House from the Committee of the Whole House, was taken up; and on the question to agree to it, the vote stood, ayes 72, and 71 noes. So the report recommending the removal of the seat of Government from Washington to some more convenient place was agreed to, and a committee was appointed to bring in a bill.

October 13. Mr. Fisk reported a bill for the temporary removal of the seat of Government.

On the 15th of October, Mr. Webster took his seat for the first time for that session, and on this day the question was taken upon a motion to reject the bill, and it was negatived, ayes 76, noes 79, Mr. Webster voting in the negative; that is to say, he voted against the rejection of a bill, brought in by a leading friend of the Administration, and on which there had been in no stage of it a party vote, providing for the removal of the seat of Government from Washington.

The bill, not being rejected, was read a second time, and committed to a Committee of the Whole House. Being reported back from the committee to the House, it was moved to amend the bill by inserting a section which provided that the President's House and the Capitol should be rebuilt on their former sites in the city of Washington, which was rejected without a division.

In the Committee of the Whole the bill had been amended, and one of the amendments was to name the place to which the Government should be removed. (The place does not appear upon the Journal, but is believed to have been Lancaster, Pennsylvania.) The question then being put upon the engrossment of the bill, it passed in the negative; ayes 74, noes 83. And so the bill was lost. Mr. Webster voted in the affirmative. This was not a party vote; the Northern men generally voted to remove the Government to Lancaster, and the Southern were against it.

The next proceeding that appears upon this subject took place on the 20th of October, when Mr. Lewis, of Virginia, (whom Mr. Jefferson called the residuary legatee of all the federalism of the State of Virginia,) moved for a committee to inquire into the expediency of rebuilding the President's House and the Capitol, and the necessary expense for that purpose. The resolution was adopted without objection, and a committee appointed, which reported on the 21st of November; and on that day Mr. Lewis obtained leave to bring in a bill making an appropriation for repairing or rebuilding in the city of Washington.

It does not appear that any further proceedings took place in the House in regard to the bill introduced by Mr. Lewis; but on the 8th of February, a bill from the Senate to provide for the rebuilding of the President's House and the Capitol being under consideration in the House of Representatives, it was moved that no part of the money should be expended until the President laid before Congress a report stating the principles upon which the Capitol, President's House, and the Post-Office should be rebuilt, with an estimate of the cost. This motion was rejected. Then Mr. Stanford, of North Carolina, an ardent supporter of the Administration, moved "that the bill be recommitted, with instructions to report such change and *plan of construction* of the public buildings as shall comport with the convenience of the Government." This motion was lost. Mr. Eppes, of Virginia, as appears by his vote, was of opinion that the money ought not to be voted without some kind of change in the old plan of construction, nor without some plan being laid before the House to show *what* the construction was to be, and the expense of it. Mr. Webster was of this opinion also; and on the third reading of the bill there were 67 yeas and 55 nays, and the bill passed. Mr. Webster voted in the negative, and this is the crime he is accused of. Mr. Eppes, the Democratic leader of the House, and chairman of the Committee of Ways and Means, voted with him. Mr. Farrow, of South Carolina, voted with him. Mr. Kerr, of Virginia; Mr. Udree, of Pennsylvania; Mr. Taylor, of New York; Mr. Ingham, of Pennsylvania; Mr. Murfree, of North Carolina; Mr. Williams, of North Carolina; Mr. Conard, of Pennsylvania; Mr. Stanford, of North Carolina; and other staunch Democrats, voted *with* Mr. Webster; and many of Mr. Webster's political friends voted for the bill.

The truth is, it was no party proceeding, and there was no party vote on it; and all that can be made of it is, that Mr. Webster was not willing to vote away the money of the people until he knew how it was to be laid out and expended, any more than Mr. Eppes.

Every public man knows, all fair-minded men admit, that justice can be done to no man by picking out a vote here and a vote there, and publishing them without their proper connection, without accurately stating the occasion, and without giving the reason on which they were founded.

Persevering efforts of this kind have been made against Mr. Webster many times, and by different hands, but thus far without success. The way in which Mr. Webster has himself met them may be learned by the following extracts from his speech in reply to Mr. Calhoun, on the 22d March, 1838:—

“But, sir, before attempting that, he [Mr. Calhoun] has something else to say. He had prepared, it seems, to draw comparisons himself. He had intended to say something, if time had allowed, upon our respective opinions and conduct in regard to the war. If time had allowed! Sir, time does allow—time must allow. A general remark of that kind ought not to be, cannot be, left to produce its effect, when that effect is obviously intended to be unfavorable. Why did the gentleman allude to my votes, or my opinions, respecting the war, at all, unless he had something to say? Does he wish to leave an undefined impression that something was done, or something said by me, not now capable of defence or justification? something not reconcilable with true patriotism? He means that, or nothing. And now, sir, let him bring the matter forth; let him take the responsibility of the accusation; let him state his facts. I am here, this day, to answer. Now is the time, and now is the hour. I think we read, sir, that one of the good spirits would not bring against the arch-enemy of mankind a railing accusation; and what is railing but general reproach—an imputation without fact, time, or circumstance? Sir, I call for particulars. The gentleman knows my whole conduct well: indeed, the Journals show it all, from the moment I came into Congress till the peace. If I have done, then, sir, any thing unpatriotic, any thing which, as far as love of country goes, will not bear comparison with his or any man's conduct, let it now be stated. Give me the fact, the time, the manner. He speaks of the war; that which is called the late war, though it is now twenty-five years since it terminated. He would leave an impression that I opposed it. How? I was not in Congress when war was declared, nor in public life, any where. I was pursuing my profession, and keeping company with judges, sheriffs, and jurors, and plaintiffs and defendants. If I had been in Congress, and had enjoyed the benefit of hearing the honorable gentleman's speeches, for all I can say, I might have concurred with him. But I was not in public life. I never had been for a single hour, and was in no situation, therefore, to oppose or support the declaration of war. I am speaking to the fact, sir; and if the gentleman has any fact, let us know it.

“Well, sir, I came into Congress during the war. I found it waged and raging. And what did I do here to oppose it? Look to the Journals. Let the honorable gentleman tax his memory. Bring up any thing, if there be any thing to bring up—not showing error of opinion, but showing want of loyalty or fidelity to the country. I did not agree to all that was proposed, nor did the honorable gentleman. I did not approve of every measure, nor did he.

“The war had been preceded by the restrictive system and the embargo. As a private individual, I certainly did not think well of these measures. It appeared to me the embargo annoyed us as much as our enemies, while it destroyed the business and cramped the spirits of the people.

“In this opinion, I may have been right or wrong, but the gentleman was himself of the same opinion. He told us the other day, as a proof of his independence of party on great questions, that he differed with his friends on the subject of the embargo. He was decidedly and unalterably opposed to it. It furnishes, in his judgment, therefore, no imputation, either on my patriotism or the soundness of my political opinions, that I was opposed to it also. I mean opposed

in opinion ; for I was not in Congress, and had nothing to do with the act creating the embargo. And as to opposition to measures for carrying on the war, after I came into Congress, I again say, let the gentleman specify — let him lay his finger on any thing, calling for an answer, and he shall have an answer.

“Mr. President, you were yourself in the House during a considerable part of this time. The honorable gentleman may make a witness of you. He may make a witness of any body else. He may be his own witness. Give us but some fact, some charge, something capable in itself either of being proved or disproved. Prove any thing not consistent with honorable and patriotic conduct, and I am ready to answer it. Sir, I am glad this subject has been alluded to in a manner which justifies me in taking public notice of it ; because I am well aware that, for ten years past, infinite pains have been taken to find something, in the range of these topics, which might create prejudice against me in the country. The Journals have all been pored over, and the reports ransacked, and scraps of paragraphs and half sentences have been collected, put together in the falsest manner, and then made to flare out as if there had been some discovery. But all this failed. The next resort was to supposed correspondence. My letters were sought for, to learn if, in the confidence of private friendship, I had never said any thing which an enemy could make use of. With this view, the vicinity of my former residence has been searched, as with a lighted candle. New Hampshire has been explored, from the mouth of the Merrimack to the White Hills. In one instance, a gentleman had left the State, gone five hundred miles off, and died. His papers were examined, a letter was found, and, I have understood, it was brought to Washington ; a conclave was held to consider it ; and the result was, that if there was nothing else against Mr. Webster, the matter had better be left alone. Sir, I hope to make every body of that opinion who brings against me a charge of a want of patriotism. Errors of opinion can be found, doubtless, on many subjects ; but as conduct flows from the feelings which animate the heart, I know that no act of my life has had its origin in the want of ardent love of country.

“Sir, when I came to Congress, I found the honorable gentleman a leading member of the House of Representatives. Well, sir, in what did we differ ? One of the first measures of magnitude, after I came here, was Mr. Dallas's proposition for a bank. It was a war measure. It was urged as being absolutely necessary to enable Government to carry on the war. Government wanted revenue ; such a bank, it was hoped, would furnish it, and on that account it was warmly pressed and urged on Congress. You remember all this, Mr. President. You remember how much some persons supposed the success of the war and salvation of the country depended on carrying that measure. Yet the honorable member from South Carolina opposed that bill. He now takes to himself a good deal of merit — none too much, but still a good deal of merit — for having defeated it. Well, sir, I agreed with him. It was a mere paper bank — a mere machine for fabricating irredeemable paper. It was a new form for paper money ; and, instead of benefiting the country, I thought it would plunge it deeper and deeper in difficulty. I made a speech on the subject ; it has often been quoted. There it is ; let whoever pleases read and examine it. I am not proud of it for any ability it exhibits ; on the other hand, I am not ashamed of it for the spirit which it manifests. But, sir, I say again, the gentleman himself took the lead against this measure — this darling measure of the Administration. I followed him ; if I was seduced into error, or into unjustifiable opposition, there sits my seducer.

“What, sir, were other leading sentiments, or leading measures, of that day ? On what other subjects did men differ ? The gentleman has adverted to one,

and that a most important one — I mean the navy. He says, and says truly, that, at the commencement of the war, the navy was unpopular. It was unpopular with his friends, who then controlled the politics of the country. But he says he differed with his friends; in this respect he resisted party influence and party connection, and was the friend and advocate of the navy. Sir, I commend him for it. He showed his wisdom. That gallant little navy soon fought itself into favor, and showed that a man who had placed reliance on it had not been disappointed.

"Well, sir, in all this, I was exactly of the same opinion as the honorable gentleman.

"Sir, I do not know when my opinion of the importance of a naval force to the United States had its origin. I can give no date to my sentiments on this subject, because I never entertained different sentiments. I remember, sir, that immediately after coming into my profession, at a period when the navy was most unpopular, when it was called by all sorts of hard names, and designated by many coarse epithets, — on one of those occasions on which young men address their neighbors, I ventured to put forth a boy's hand in defence of the navy. I insisted on its importance, its adaptation to our circumstances and to our national character, and its indispensable necessity, if we intended to maintain and extend our commerce. These opinions and sentiments I brought into Congress; and, so far as I remember, it was the first, or among the first, times in which I presumed to speak on the topics of the day, that I attempted to urge on the House a greater attention to the naval service. There were divers modes of prosecuting the war. On these modes, or on the degree of attention and expense which should be bestowed on each, different men held different opinions. I confess I looked with most hope to the results of naval warfare, and therefore I invoked Government to invigorate and strengthen that arm of the national defence. I invoked it to seek its enemies upon the seas — to go where every auspicious indication pointed, and where the whole heart and soul of the country would go with it.

"Sir, we were at war with the greatest maritime power on earth. England had gained an ascendancy on the seas over the whole combined powers of Europe. She had been at war twenty years. She had tried her fortunes on the continent, but generally with no success. At one time, the whole continent had been closed against her. A long line of armed exterior, an unbroken hostile array, frowned upon her from the Gulf of Archangel, round the promontory of Spain and Portugal, to the foot of the boot of Italy. There was not a port which an English ship could enter. Every where on the land the genius of her great enemy had triumphed. He had defeated armies, crushed coalitions, and overturned thrones; but, like the fabled giant, he was unconquerable only while he touched the land. On the ocean he was powerless. That field of fame was his adversary's, and her meteor flag was streaming in triumph all over it.

"To her maritime ascendancy England owed every thing, and we were now at war with her. One of the most charming of her poets has said of her, that

'Her march is o'er the mountain wave,
Her home is on the deep.'

Now, sir, since we were at war with her, I was for intercepting this march; I was for calling upon her, and paying our respects to her at home; I was for giving her to know that we, too, had a right of way over the seas, and that our marine officers and our sailors were not entire strangers on the bosom of the deep; I was for doing something more with our navy than to keep it on our

shores, for the protection of our own coasts and our own harbors; I was for giving play to its gallant and burning spirit; for allowing it to go forth upon the seas, and encounter, on an open and an equal field, whatever the proudest or the bravest of the enemy could bring against it. I knew the character of its officers, and the spirit of its seamen; and I knew that, in their hands, though the flag of the country might go down to the bottom, while they went with it, yet that it could never be dishonored or disgraced.

"Since she was our enemy—and a most powerful enemy—I was for touching her, if we could, in the very apple of her eye; for reaching the highest feather in her cap; for clutching at the very brightest jewel in her crown. There seemed to me to be a peculiar propriety in all this, as the war was undertaken for the redress of maritime injuries alone. It was a war declared for free trade and sailors' rights. The ocean, therefore, was the proper theatre for deciding this controversy with our enemy, and on that theatre my ardent wish was, that our own power should be concentrated to the utmost.

"So much, sir, for the war, and for my conduct and opinions as connected with it. And, as I do not mean to recur to this subject often, or ever, unless indispensably necessary, I repeat the demand for any charge, any accusation, any allegation whatever, that throws me behind the honorable gentleman, or behind any other man, in honor, in fidelity, in devoted love to that country in which I was born, which has honored me, and which I serve. I, who seldom deal in defiance, now, here, in my place, boldly defy the honorable member to put his insinuation in the form of a charge, and to support that charge by any proof whatever."

CONTENTS.

REMARKS made to the Citizens of Bangor, Maine, August 25, 1835	17
SPEECH on receiving a Vase from Citizens of Boston, October 12, 1835....	23
SPEECH in the Senate of the United States, January 14, 1836, on Mr. Benton's Resolutions for appropriating the Surplus Revenue to National Defence.....	38
REMARKS in the Senate of the United States, March 16, 1836, on present- ing sundry Abolition Petitions.....	59
REMARKS in the Senate of the United States, on the Deposit Banks, March 17, 1836	63
REMARKS in the Senate of the United States, on a Resolution submitted by Mr. Benton, on receiving Specie only, in Payment for Public Lands, April 23, 1836	65
REMARKS in the Senate of the United States, on the Bill to authorize the Purchase, on the Part of the United States, of the Private Stock in the Louisville and Portland Canal, May 25, 1836.....	73
SPEECH in the Senate of the United States, on introducing the Proposition for the Distribution of the Surplus Revenue, May 31, 1836	78
SPEECH in the Senate of the United States, on the Specie Circular, De- cember 21, 1836.....	89
REMARKS in the Senate of the United States, on the Protest against Ex- punging, January 16, 1837.....	111
REMARKS in the Senate of the United States, on presenting a Petition of Merchants of New York, for the Establishment of a National Bank, February 8, 1837.....	116
REMARKS in the Senate of the United States, February 20, 1837, in Relation to the Manuscript Papers of Mr. Madison.....	119
REMARKS in the Senate of the United States, in Relation to the Reduction of the Duty on Coal, February 24, 1837.....	122
SPEECH delivered in Niblo's Saloon, in New York, on the 15th of March, 1837	129
SPEECH delivered May 17, 1837, at the Dinner given by the Citizens of Wheeling, Virginia	165
SPEECH delivered at Madison, Indiana, June 1, 1837.....	174
SPEECH delivered in the Senate of the United States, September 14, 1837, on the Bill to postpone the Payment of the Fourth Instalment of the Deposit to the States.....	185
SPEECH on the Currency, and on the New Plan for collecting and keeping the Public Moneys, delivered in the Senate of the United States, Sep- tember 28, 1837	195

REMARKS in the Senate of the United States, January 10, 1838, respecting Slavery in the District of Columbia.....	234
REMARKS made in the Senate of the United States, January 17, 1838, in Relation to the Commonwealth Bank, Boston	239
REMARKS on the Preëmption Bill, made in the Senate of the United States, January 29, 1838.....	250
SPEECH on the Sub-Treasury Bill, delivered in the Senate of the United States, January 31, 1838.....	259
SECOND SPEECH on the Sub-Treasury Bill, delivered in the Senate of the United States, March 12, 1838	277
SPEECH in the Senate of the United States, in Answer to Mr. Calhoun, March 22, 1838	340
SPEECH in Faneuil Hall, July 24, 1838	359
REMARKS in the Senate of the United States, on the Bill to graduate the Price of the Public Lands, January 14, 1839.....	375
ARGUMENT in the Supreme Court of the United States, February 9, 1839, in the great Appeal Case from the District of Alabama	379
ADDRESS at the Triennial Celebration of the National Agricultural Society, Oxford, England, July 18, 1839	400
REMARKS on the Agriculture of England, at a Meeting of Members of the Legislature of Massachusetts, and Others interested in Agriculture, held at the State House, in Boston, January 13, 1840	404
REMARKS in the Senate of the United States, March 3, 1840, in Answer to some Parts of Mr. Calhoun's Speech.....	416
SPEECH in the Senate of the United States, March 30, 1840, on the Treasury Note Bill.....	426
SPEECH in the Senate of the United States, May 18, 1840, on the proposed Amendment to the Bankrupt Bill.....	442
SPEECH in the Senate of the United States, June 5, 1840, on Mr. Clay's Motion to strike out the compulsory Part of the Bankrupt Bill.....	460
SPEECH delivered at the Great Mass-Meeting at Saratoga, New York, August 19, 1840	472
DECLARATION of the Principles and Purposes adopted by a General Convention of the Whigs of New England, at Bunker Hill, on the 10th of September, 1840. Prepared by Mr. Webster, and signed by him as President of the Convention.....	498
SPEECH at the Merchants' Meeting in Wall Street, New York, September 28, 1840.....	508
SPEECH delivered in the Capitol Square, during the Whig Convention at Richmond, Virginia, October 5, 1840.....	529
REMARKS to the Ladies of Richmond, Virginia, October 5, 1840.....	547
REMARKS upon that Part of the President's Message which relates to the Revenue and Finances, delivered in the Senate of the United States, December 16 and 17, 1840.....	551



REMARKS

MADE TO THE CITIZENS OF BANGOR, MAINE, AUGUST 25, 1835.

DURING a visit to Maine, in the summer of 1835, on business connected with his profession, Mr. Webster was at Bangor, where he partook of a collation with many of the citizens. There were so many more people, however, anxious to see and hear him than could be accommodated in the hall of the Hotel, that, after the cloth was removed, he was compelled to proceed to the balcony, where, after thanking the company for their hospitality, and their manifestation of regard, he addressed the assembly as follows:—

HAVING occasion to come into the State, on professional business, I have gladly availed myself of the opportunity to visit this city, the growing magnitude and importance of which have recently attracted so much general notice. I am happy to say, that I see around me ample proofs of the correctness of those favorable representations which have gone abroad. Your city, gentlemen, has undoubtedly experienced an extraordinary growth; and it is a growth, I think, which there is reason to hope is not unnatural, or greatly disproportionate to the eminent advantages of the place. It so happened, that, at an early period of my life, I came to this spot, attracted by that favorable position, which the slightest glance on the map must satisfy every one that it occupies. It is near the head of tide water, on a river which brings to it from the sea a volume of water equal to the demands of the largest vessels of war, and whose branches, uniting here, from great distances above, traverse, in their course, extensive tracts, now covered with valuable productions of the forest, and capable, most of them, of profitable agricultural cultivation. But at the period I speak of, the time had not come for the proper development and display of these advantages. Neither the place itself, nor the country, was then ready. A long course of commercial restrictions and embargo, and a foreign war, were yet to be gone through, before the local advantages of such a spot could be exhibited or enjoyed, or the country would be in a condition to create an active demand for its main products.

I believe some twelve or twenty houses were all that Bangor could enumerate, when I was in it before; and I remember to have crossed the stream, which now divides your fair city, on some floating logs,

for the purpose of visiting a former friend and neighbor, who had just then settled here, a gentleman always most respectable, and now venerable for his age and his character, whom I have great pleasure in seeing among you to-day, in the enjoyment of health and happiness.

It is quite obvious, Gentlemen, that while the local advantages of a noble river, and of a large surrounding country, may be justly considered as the original spring of the present prosperity of the city, the current of this prosperity has, nevertheless, been put in motion, enlarged and impelled, by the general progress of improvement, and growth of wealth throughout the whole country.

At the period of my former visit, there was, of course, neither Rail-road nor Steam-boat, nor Canal, to favor communication; nor do I recollect that any public or stage coach came within fifty miles of the town.

Internal Improvement has been the great agent of so favorable a change; and so blended are our interests, that the general activity, which exists elsewhere, supported and stimulated by Internal Improvement, pervades and benefits even those portions of the country which are locally remote from the immediate scene of the main operations of this Improvement. Whatever promotes communication — whatsoever extends general business — whatsoever encourages enterprise, or whatsoever advances the general wealth and prosperity of other States, must have a plain, direct, and powerful bearing on your own prosperity. In truth, there is no town in the Union, whose hopes can be more directly staked on the general prosperity of the country, than this rising city. If any thing should interrupt the general operations of business, — if commercial embarrassment, foreign war, pecuniary derangement, domestic dissension, or any other causes, were to arrest the general progress of the public welfare, all must see, with what a blasting and withering effect such a course must operate on Bangor.

Gentlemen, I have often taken occasion to say, what circumstances may render it proper now to repeat, that, at the close of the last war, a new era, in my judgment, had opened in the United States. A new career then lay before us. At peace ourselves with the nations of Europe, and those nations, too, at peace with one another, and the leading civilized States of the world no longer allowing that commerce which had been the rich harvest of our neutrality, in the midst of former wars, but all now coming forward to exercise their own rights, in sharing the commerce and trade of the world, it seemed to me to be very plain, that while our commerce was still to be fostered with the most zealous care, yet quite a new view of things was presented to us, in regard to our internal pursuits and concerns. The works of peace, as it seemed to me, had become our duties. A hostile exterior, a front of brass, and an arm of iron,

all necessary in the just defence of the country against foreign aggression, naturally gave place, in a change of circumstances, to the attitude, the objects, and the pursuits of peace. Our true interest, as I thought, was to explore our own resources, to call forth and encourage labor and enterprise upon internal objects, to multiply the sources of employment and comfort at home, and to unite the country by ties of intercourse, commerce, benefits, and prosperity, in all parts, as well as by the ties of political association. And it appeared to me that Government itself clearly possessed the power, and was as clearly charged with the duty of helping on, in various ways, this great business of Internal Improvement. I have, therefore, steadily supported all measures, directed to that end, which appeared to me to be within the just power of the Government, and to be practicable within the limits of reasonable expenditure. And if any one would judge how far the fostering of this spirit has been beneficial to the country, let him compare its state at this moment, with its condition at the commencement of the late war; and let him then say how much of all that has been added to national wealth, and national strength, and to individual prosperity and happiness, has been the fair result of Internal Improvement.

Gentlemen, it has been your pleasure to give utterance to sentiments, expressing approbation of my humble efforts, on several occasions, in defence and maintenance of the Constitution of the country. I have nothing to say of those efforts, except that they have been honestly intended. The country sees no reason, I trust, to suppose that on those occasions I have taken counsel of any thing but a deep sense of duty. I have, on some occasions, felt myself called on to maintain my opinions, in opposition to power, to place, to official influence, and to overwhelming personal popularity. I have thought it my imperative duty to put forth my most earnest efforts to maintain what I considered to be the just powers of the Government, when it appeared to me that those to whom its administration was intrusted were countenancing opinions inevitably tending to its destruction. And I have, with far more pleasure, on other occasions, supported the constituted authorities, when I have deemed their measures to be called for, by a regard to its preservation.

The Constitution of the United States, Gentlemen, has appeared to me to have been formed and adopted for two grand objects. The first is the union of the States. It is the bond of that union, and it states and defines its terms. Who can speak, in terms warm enough and high enough, of its importance in this respect, or the admirable wisdom with which it is formed? Or who, when he shall have stated its past benefits and blessings to those States, most strongly, will venture to say, that he has yet done it justice? For one, I am not sanguine enough to believe, that if this bond of Union were dissolved, any other tie, uniting all the States, would take its place

for generations to come. It requires no common skill, it is no piece of ordinary political journey-work, to form a system, which shall hold together four-and-twenty separate State sovereignties, the line of whose united territories runs down all the parallels of latitude from New Brunswick to the Gulf of Mexico, and whose connected breadth stretches from the sea far beyond the Mississippi. Nor are all times, or all occasions, suited to such great operations. It is only under the most favorable circumstances, and only when great men are called on to meet great exigencies, only once in centuries, that such fortunate political results are attained. Whoever, therefore, undervalues this National Union, whoever depreciates it, whoever accustoms himself to consider how the people might get on without it, appears to me to encourage sentiments subversive of the foundations of our prosperity.

It is true that those twenty-four States are, more or less, different in climate, productions, and local pursuits. There are planting States, grain-growing States, manufacturing States, and commercial States. But those several interests, if not identical, are not, therefore, inconsistent and hostile. Far from it. They unite, on the contrary, to promote an aggregate result of unrivalled national happiness. It is not precisely a case in which

“All nature’s difference keeps all nature’s peace;”

but it is, precisely, a case in which variety of climate and condition, and diversities of pursuits and productions, all unite to exhibit one harmonious, grand, and magnificent whole, to which the world may be proudly challenged to show an equal. In my opinion, no man, in any corner of any one of those States, can stand up and declare, that he is less prosperous, or less happy, than if the General Government had never existed. And entertaining these sentiments, and feeling their force most deeply, I feel it the bounden duty of every good citizen, in public and in private life, to follow the admonition of Washington, and to cherish that Union which makes us one people. I most earnestly deprecate, therefore, whatever occurs, in the Government or out of it, calculated to endanger the Union, or disturb the basis on which it rests.

Another object of the Constitution I take to be such as is common to all written Constitutions of Free Governments; that is, to fix limits to delegated authority, or, in other words, to impose constitutional restraints on political power. Some, who esteem themselves Republicans, seem to think no other security for public liberty necessary, than a provision for a popular choice of rulers. If political power be delegated power, they entertain little fear of its being abused. The people’s servants and favorites, they think, may be safely trusted. Our fathers, certainly, were not of this school. They sought to make assurance doubly sure, by providing, in the

first place, for the election of political agents by the people themselves, at short intervals, and, in the next place, by prescribing constitutional restraints on all branches of this delegated authority. It is not among the circumstances of the times, most ominous for good, that a diminished estimate appears to be placed on those constitutional securities. A disposition is but too prevalent to substitute personal confidence for legal restraint; to put trust in men rather than in principles; and this disposition being strongest, as it most obviously is, whenever party spirit prevails to the greatest excess, it is not without reason that fears are entertained of the existence of a spirit tending strongly to an unlimited, if it be but an elective, Government.

Surely, Gentlemen, surely this Government can go through no such change. Long before that change could take place, the Constitution would be shattered to pieces, and the Union of the States become matter of past history. To the Union, therefore, as well as to civil liberty, to every interest which we enjoy and value, to all that makes us proud of our country, or our country lovely in our own eyes, or dear to our own hearts, nothing can be more repugnant, nothing more hostile, nothing more directly destructive than excessive, unlimited, unconstitutional confidence in men; nothing worse than the doctrine that official agents may interpret the public will in their own way, in defiance of the Constitution and the laws; or that they may set up any thing for the declaration of that will except the Constitution and the laws themselves; or that any public officer, high or low, should undertake to constitute himself, or to call himself *the Representative of the people*, except so far as the Constitution and the laws create and denominate him such representative. There is no usurpation so dangerous as that which comes in the borrowed name of the people. If, from some other authority, or other source, prerogatives be attempted to be enforced *upon* the people, they naturally oppose and resist it. It is an open enemy, and they can easily subdue it. But that which professes to act, in their own name, and by their own authority, that which calls itself their servant, although it exercises their power without legal right or constitutional sanction, requires something more of vigilance to detect, and something more of stern patriotism to repress; and if it be not, seasonably, both detected and repressed, then the Republic is already in the downward path of those which have gone before it.

I hold, therefore, Gentlemen, that a strict submission, by every branch of the Government, to the limitations and restraints of the Constitution, is of the very essence of all security for the preservation of liberty; and that no one can be a true and intelligent friend of that liberty, who will consent that any man in public station, whatever he may think of the honesty of his motives, shall exercise or enact an authority above the Constitution and the laws. What-

ever Government is not a Government of Laws, is a despotism, let it be called what it may.

Gentlemen, in the circumstances which surround us, I ought not to detain you longer. Let us hope for the best, in behalf of this great and happy country, and of our glorious Constitution. Indeed, Gentlemen, we may well congratulate ourselves that the country is so young, so fresh, so strong and vigorous, that it can bear a great deal of bad government. It can take an enormous load of official mismanagement on its shoulders, and yet go ahead. Like the vessel impelled by steam, it can move forward, not only without other than the ordinary means, but even when those means oppose it, it can make its way in defiance of the elements, and —

“Against the wind, against the tide,
Still steady, with an upright keel.”

There are some things, however, which the country cannot stand. It cannot stand any shock of civil liberty, or any disruption of the Union. Should either of these happen, the vessel of the State will have no longer either steerage or motion. She will lie on the bil-lows helpless and hopeless; the scorn and contempt of all the enemies of free institutions, and an object of indescribable grief to all their friends.

Gentlemen, I offer as a sentiment for the occasion — Civil Liberty: Its only security is in Constitutional restraint on political power.

SPEECH

ON RECEIVING A VASE FROM CITIZENS OF BOSTON,
OCTOBER 12, 1835.

A LARGE number of the Citizens of Boston being desirous to offer Mr. Webster some enduring testimony of their gratitude for his services in Congress, and more especially for his defence of the Constitution during the crisis of Nullification, a Committee was raised, in the spring of 1835, to procure a piece of plate which should be worthy of such an object. By their direction, and more particularly under the superintendence of one of their number — the late GEORGE W. BRIMMER, to whose taste and skill the Committee were deeply indebted for the selection of the model and the arrangement of the devices — the beautiful Vase, now well known throughout the country as the WEBSTER, VASE was prepared at the manufactory of Messrs. Jones, Lows, & Ball, in Boston. After it was finished, the Committee found it impossible to withstand the wish both of the numerous subscribers, and of the public generally, to witness the ceremonies and hear the remarks by which its presentation might be accompanied. It was accordingly presented to Mr. Webster in the presence of three or four thousand spectators assembled at the Odeon on the evening of the 12th of October. The Vase was placed on a pedestal covered with an American Flag, and contained on its front the following inscription: —

PRESENTED TO
DANIEL WEBSTER,
THE DEFENDER OF THE CONSTITUTION,
BY THE CITIZENS OF BOSTON,
Oct. 12, 1835.

Mr. ZACHARIAH JELLISON, the Chairman of the Committee, opened the Meeting with the following remarks: —

FELLOW CITIZENS: The friends of the Hon. Daniel Webster in this city, conceiving the propriety of giving that gentleman an expression of the high estimation in which they hold his public services, and wishing also to tender him a testimonial of their regard for his moral worth and social virtues, called a meeting of consultation on the subject, some months since, at which a committee was appointed, with instructions to procure a suitable piece of plate, to be presented to him in their behalf, before his official duty should again require his departure hence for the seat of government. In obedience to their instructions, that committee have procured, from the hands of the

most skilful artists in this country, the piece of plate I now have the honor to exhibit to you.

They have now called their constituents together, for the purpose of presenting this Vase in their presence. Had the Committee consulted the wishes only of the gentleman for whom it is intended, this presentation might, perhaps, have taken place in a more private or less imposing manner; but, in the course they have adopted, they have been governed by the wishes of the citizens at large. They now respectfully ask your kind indulgence while they proceed in the discharge of this part of their duty.

The Committee have appointed, as their organ of communication, the Hon. Francis C. Gray, with whom I now have the pleasure to leave the subject.

MR. GRAY then rose, and spoke as follows:—

MR. WEBSTER: By direction of the Committee, and in behalf of your fellow-citizens, who have caused this Vase to be made, I now request your acceptance of it. They offer it in token of their high sense of your public character and services. But on these it were not becoming to dwell in addressing yourself. Nor is a regard for these the only, or the principal motive of those, for whom I speak. They offer it mainly to evince the high estimation in which they hold the political sentiments and principles, which you have professed and maintained. There may undoubtedly be differences of opinion among them with regard to this or that particular measure; and a blind, indiscriminate, wholesale adhesion to the life and opinions of any one, would not be worth offering, nor worth accepting among freemen. We are not man-worshippers here in Massachusetts. But the great political principles, the leading views of policy, which you have been forward to assert and vindicate, these they all unite to honor; and in rendering public homage to these, they feel, that they are not so much paying a compliment to you, as performing a duty to their country.

In a free republic, where all men exercise political power, the prevalence of correct views and principles, on political subjects, is essential to the safety of the State. It is not enough that their truth should be recognized. Their operation and tendency must be understood and appreciated; they must be made familiar to the mass of the people, become closely interwoven with their whole habits of thought and feeling, objects of attachment, to which they may cling instantly and instinctively in all time of doubt or peril, so as not to be swept away by any sudden flood of prejudice or passion. Hence it is the duty of every man, to embrace all fit occasions, nay, to seek fit occasions, for declaring his adherence to such principles, and giving them the support of his influence, however high, or however humble that influence may be. There is no justice, therefore, in the complaint often made, against the members of our legislative assemblies, that they sometimes speak not for their audience merely, but for their constituents; seeking not simply to affect the decision of the question then pending, but to influence the public sentiment with regard to the principles involved in it. This affords no ground of censure against them, so they speak well and wisely. The practice may be abused, no doubt; but, in itself, it is a natural, inevitable right. So it should be in relation to all important principles in a free country. Nothing else but the excitement, kindled by the conflict of debate, will ever make those great principles subjects of general attention and interest. Nothing else but the observation of their application in practice can make them generally understood and appreciated. We all recollect questions, (and among them that on Mr. Foot's resolutions, not likely soon to be forgotten,) the vote on which was as certainly known before the discussion as after it, and known to be unalterable by any argument or persuasion; and

yet, the discussion of which was so free from being uninteresting and unprofitable, that it was echoed and re-echoed through the land, making a deep and lasting impression on the public mind, establishing incontrovertibly vital principles before disputed, and thus giving new strength and stability to our free institutions, and forming, I may almost say, an epoch in our political history.

On this and similar occasions, not to dwell on your steadfast adherence to those more general principles of civil liberty, which are equally important in every age and country; on such occasions the fundamental principles peculiar to our system of government have always had in you a decided advocate, ever ready to develop and illustrate their nature and operation, and to enforce the obligations which they impose. Among the most prominent peculiarities of our system is the fact that the United States are not a confederacy of independent sovereigns, the subjects of each of whom is responsible to him alone for their compliance with the obligations of his compact; but that, for certain specified purposes, they form one nation, every citizen of which is responsible, directly, immediately, exclusively to the whole nation for the performance of his duties to the whole; that the Constitution is not a Treaty, nor any thing like a Treaty; but a frame of government, resting on the same foundations, and supported by the same sanctions, as any other government, — to be subverted only by the same means — by revolution; — revolution to be brought about by the same authority which would warrant a revolution in any government, and by none other, — to be justified, when justifiable, by the same paramount necessity, and by nothing less. This government is not the government of the States, but that of the people; and it behoves the people, every one of the people, to do his utmost to preserve it; not in form merely, but in its full efficiency, as a practical system; to maintain the Union as it is, in all its integrity; the Constitution as it is, in all its purity, and in all its strength; — and when they are in danger, to hasten to their support promptly, frankly, fearlessly, undeterred, and unencumbered by any political combination; let who will be his companions in the good cause, and let who will hang back from it.

The other great peculiarity of our political system, — and on these two hang all the liberty and hopes of America, — is this — That the supreme power or sovereignty is divided between the State and National governments, and the portion allotted to each, distributed among several independent departments; and this, notwithstanding the maxim of European politicians, too hastily adopted by some of our own statesmen, that sovereignty is, in its nature, indivisible. By sovereignty, I do not mean, and they do not mean, the ultimate right of the people to establish and subvert governments, the right of revolution, as it has been called; for, thus understood, it would be absurd to inquire, as they constantly do, where the sovereignty resides in any particular government, since this ultimate sovereignty never can reside any where but in the people themselves. It is inherent in them and inalienable, existing equally as a right, however its exercise may be impeded, in free and despotic governments. But by sovereignty must be understood the supreme power of the government, the highest power which can lawfully be exercised by any constituted authority. Now, let the politicians of Europe say what they will of the indivisibility of this power, we know that, among us, it is in point of fact divided; that in relation to some objects, the supreme power is in the National government, subject to no earthly control, but that of the people, exercising their right of revolution; and that in relation to others, it is in the State governments, subject to the same and to no other control; and that in each of these governments the power conferred is divided among the Legislative, Executive, and Judicial departments, each of which is entirely independent in the performance of its appropriate duties.

This system of practical checks and balances, altogether peculiar to us,

is designed to operate, and does operate for the restraint of power and the protection of liberty. But, like every earthly good, it brings with it its attendant evil in the danger of encroachment and collision. To guard against these dangers is one of the most important, most difficult, most delicate of our public duties; to see that the National government shall not encroach upon the power of the States, nor the States on that of the Nation; that no State shall interfere with the domestic legislation of another, nor lightly nor unjustly suspect another of seeking to interfere with its own; but that each of these several governments, and every department in each, shall be strictly confined to its proper sphere; that no one shall evade any responsibility which is imposed on him by the Constitution and the Laws, and no one assume any responsibility, which is not so.

But by what power can this be accomplished? There is only one. Physical force will not do it. The system of our government has been compared to that of the heavenly bodies, which move on, orb within orb, cycle within cycle, in apparent confusion, but in real, uninterrupted, unalterable harmony. And the harmony of our system can only be maintained by a power, which, like that regulating their movements, is unseen, unfelt, yet irresistible — *Public Opinion*.

This is the precise circumstance, which renders the prevalence of just political views and principles peculiarly important among us, and secures to him, who labors faithfully and successfully to promote their diffusion, the praise of having deserved well of his country.

The opinions of men, however, are invariably and inevitably affected by their interests and their feelings. This consideration opens a wide field of duty to the American Statesman, requiring him to prevent, by every means in his power, all collisions of interest and all exasperations of feeling — to correct and rebuke the misrepresentations which tend to array one part of the country against another, or one portion of society against another, as if their interests were adverse, whereas in truth they are one; — and, avoiding the paltry cunning, which plays off the different parts of the country against each other, sacrificing the interest of the whole to this part, to-day, on condition that they shall be sacrificed to another to-morrow, by which means they are always sacrificed; to be governed by that liberal, enlightened, far-sighted policy, which, in all questions of expediency, looks invariably and exclusively to the permanent interests of the whole nation, considered as one; — which aims to impress on the minds and the hearts of this people, deeply, indelibly, the great truth, that the prosperity and the glory of the United States, their improvement and happiness at home, their rank among the nations of the earth, must be proportioned to the strength and cordiality of their union; — and can only be carried to their highest pitch by the universal conviction, the deep-seated and overruling sentiment, that, for the purposes set forth in the Constitution, we are one people, one and indivisible; and that for us to break the bond, that makes us one, and resolve this glorious Union into its original elements, would be as mad and as fatal as for England to go back again to her Heptarchy.

The statesman, who is governed by these principles and this policy, whose great object is not to win the spoils of victory, nor even its laurels, but to fight the good fight and render faithful service to his country, will never want opportunity to merit the public gratitude, whatever may be his political position. If in the majority, considering that the duration of any Administration is only a day in the existence of the Government, — and yet a day which must affect all that are to follow it, — he will never be tempted to swerve from these great principles by any temporary advantage, even to the whole community, still less by any local or partial benefit; and least of all by any party or personal consideration. He will not make it the chief object of government to extend and perpetuate the power of his party. He will not

regard his political opponents as enemies, over whom he has triumphed and whom he is to despoil. He will not seek to throw off or evade the restraints imposed by the Constitution on all power, nor will he bestow public offices as the reward or the motive for adherence to his party or his person. If in the minority, he will find inducement enough and reward enough for the most strenuous exertion, in the conviction, that an intelligent, resolute, vigilant minority is not utterly powerless in our government, but may often control, modify, or even arrest the most pernicious schemes of reckless rulers, and diminish, if not prevent, the evils of misrule. He will consider also that in political science, as in the other moral sciences, truth must always force its way slowly against general opposition, and that although the great principles, for which he contends, should not triumph in the debate of the day, they may yet, if ably sustained, ultimately triumph in the hearts of the people, and come at last to rule the land; and that, thenceforward, so long as their beneficent influence shall endure, so long as they shall be remembered upon earth, so long will his name and his praise endure, who shall have watched over them in their weakness, and struggled for them in their adversity.

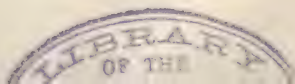
But I must not be tempted beyond the tone which befits the part assigned me, which is simply to state the motives and feelings of those for whom I speak, on this occasion; and I am sure, Gentlemen, that I am the faithful interpreter of your sentiments, when I say, that it is from attachment to the great principles of civil liberty and constitutional government, that you offer this token of respect to one, who has always maintained them and been governed by them; to one, whom this people, because he has been guided by those principles, and for the sake of those principles, delight to honor; whom they honor with their confidence, whom they honor by cherishing the memory of his past services, and by their best hopes and wishes for the future, and whom they will honor, let who else may shrink and falter, by their cordial efforts to raise him to that high station, for which so many patriotic citizens, in various parts of the country, are now holding him up as a candidate; and they will do this on the full conviction, that he will always be true to those principles, wherever his country may call him.

To this address, Mr. WEBSTER replied as follows:—

MR. CHAIRMAN AND GENTLEMEN: I accept, with grateful respect, the present which it is your pleasure to make. I value it. It bears an expression of your regard for those political principles which I have endeavored to maintain; and though the material were less costly, or the workmanship less elegant, any durable evidence of your approbation could not but give me high satisfaction.

This approbation is the more gratifying, as it is not bestowed for services connected with local questions, or local interests, or which are supposed to have been peculiarly beneficial to yourselves, but for efforts which had the interests of the whole country for their object, and which were useful, if useful at all, to all who live under the blessings of the Constitution and Government of the United States.

It is twelve or thirteen years, Gentlemen, since I was honored with a seat in Congress, by the choice of the citizens of Boston.



They saw fit to repeat that choice more than once ; and I embrace, with pleasure, this opportunity of expressing to them my sincere and profound sense of obligation for these manifestations of confidence. At a later period, the Legislature of the State saw fit to transfer me to another place ; and have again renewed that trust, under circumstances, which I have felt to impose on me new obligations of duty, and an increased devotion to the political welfare of the country. These twelve or thirteen years, Gentlemen, have been years of labor, and not without sacrifices ; but both have been more than compensated by the kindness, the good will, and the favorable interpretation with which my discharge of official duties has been received. In this changing world, we can hardly say that we possess what is present, and the future is all unknown. But the past is ours. Its acquisitions, and its enjoyments, are safe. And among these acquisitions, among the treasures of the past most to be cherished and preserved, I shall ever reckon the proofs of esteem and confidence, which I have received from the citizens of Boston and the Legislature of Massachusetts.

In one respect, Gentlemen, your present oppresses me. It overcomes me, by its tone of commendation. It assigns to me a character, of which I feel I am not worthy. "The Defender of the Constitution" is a title quite too high for me. He who shall prove himself the ablest, among the able men of the country ; he who shall serve it longest, among those who may serve it long ; he on whose labors all the stars of benignant fortune shall shed their selectest influence, — will have praise enough, and reward enough, if, at the end of his political and earthly career, though that career may have been as bright as the track of the sun across the sky, the marble under which he sleeps, and that much better record, the grateful breasts of his living countrymen, shall pronounce him "the Defender of the Constitution." It is enough for me, Gentlemen, to be connected, in the most humble manner, with the defence and maintenance of this great wonder of modern times, and this certain wonder of all future times. It is enough for me to stand in the ranks, and only to be counted as one of its defenders.

The Constitution of the United States, I am confident, will protect the name and the memory, both of its founders and of its friends, even of its humblest friends. It will impart to both something of its own ever memorable and enduring distinction ; I had almost said, something of its own everlasting remembrance. Centuries hence, when the vicissitudes of human affairs shall have broken it, if ever they shall break it, into fragments, these very fragments, every shattered column, every displaced foundation-stone, shall yet be sure to bring them all into recollection, and attract to them the respect and gratitude of mankind.

Gentlemen, it is to pay respect to this Constitution, it is to mani-

fest your attachment to it, your sense of its value, and your devotion to its true principles, that you have sought this occasion. It is not to pay an ostentatious personal compliment. If it were, it would be unworthy, both of you and of me. It is not to manifest attachment to individuals, independent of all considerations of principles; if it were, I should feel it my duty to tell you, friends as you are, that you were doing that which, at this very moment, constitutes one of the most threatening dangers to the Constitution itself. Your gift would have no value, in my eyes; this occasion would be regarded by me as an idle pageant; if I did not know that they are both but modes, chosen by you, to signify your attachment to the true principles of the Constitution; your fixed purpose, so far as in you lies, to maintain those principles; and your resolution to support public men, and stand by them, so long, and no longer, than they shall support and stand by the Constitution of the Country. "The Constitution of the Country!"

Gentlemen, often as I am called to contemplate this subject, its importance always rises, and magnifies itself, more and more, before me. I cannot view its preservation as a concern of narrow extent, or temporary duration. On the contrary, I see in it a vast interest, which is to run down with the generations of men, and to spread over a great portion of the earth with a direct, and over the rest with an indirect, but a most powerful influence. When I speak of it here, in this thick crowd of fellow-citizens and friends, I yet behold, thronging about me, a much larger and more imposing crowd. I see a united rush of the present and the future. I see all the patriotic of our own land, and our own time. I see also the many millions of their posterity, and I see, too, the lovers of human liberty from every part of the earth, from beneath the oppressions of thrones, and hierarchies, and dynasties, from amidst the darkness of ignorance, degradation, and despotism, into which any ray of political light has penetrated; I see all those countless multitudes gather about us, and I hear their united and earnest voices, conjuring us, in whose charge the treasure now is, to hold on, and hold on to the last, by that which is our own highest enjoyment, and their best hope.

Filled with these sentiments, Gentlemen, and having through my political life, hitherto, always acted under the deepest conviction of their truth and importance, it is natural that I would have regarded the preservation of the Constitution as the first great political object to be secured. But I claim no exclusive merit. I should deem it, especially, both unbecoming and unjust in me, to separate myself, in this respect, from other public servants of the people of Massachusetts. The distinguished gentlemen who have preceded and followed me in the representation of the city, their associates from other districts of the State, and my late worthy and most highly-

esteemed colleague, are entitled, one and all, to a full share in the public approbation. If accidental circumstances, or a particular position, have sometimes rendered me more prominent, equal patriotism and equal zeal have yet made them equally deserving. It were invidious to enumerate these fellow-laborers, or to discriminate among them. Long may they live! and I could hardly express a better wish for the interest and honor of the States, than that the public men, who may follow them, may be as disinterested, as patriotic, and as able as they have proved themselves.

There have been, Gentlemen, it is true, anxious moments. That was an anxious occasion, to which the gentleman who has addressed me, in your behalf, has alluded; I mean the debate in January, 1830. It seemed to me then that the Constitution was about to be abandoned. Threatened with most serious dangers, it was not only not defended, but attacked, as I thought, and weakened and wounded in its vital powers and faculties, by those to whom the country naturally look for its defence and protection. It appeared to me that the Union was about to go to pieces, before the people were at all aware of the extent of the danger. The occasion was not sought, but forced upon us; it seemed to me momentous, and I confess that I felt that even the little that I could do, in such a crisis, was called for by every motive which could be addressed to a lover of the Constitution. I took a part in the debate, therefore, with my whole heart already in the subject, and, careless for every thing in the result, except the judgment which the people of the United States should form, upon the questions involved in the discussion. I believe that judgment has been definitely pronounced; but nothing is due to me, beyond the merit of having made an earnest effort to present the true question to the people, and to invoke for it that attention from them, which its high importance appeared to me to demand.

The Constitution of the United States, Gentlemen, is of a peculiar structure. Our whole system is peculiar. It is fashioned according to no existing model, likened to no precedent, and yet founded on principles, which lie at the foundations of all free governments, wherever such governments exist. It is a complicated system. It is elaborate, and in some sense artificial, in its composition. We have twenty-four State sovereignties, all exercising legislative, judicial, and executive powers. Some of the sovereignties, or States, had long existed, and, subject only to the restraint of the power of the parent country, had been accustomed to the forms and to the exercise of the powers of Representative Republics. Others of them are new creations, coming into existence only under the Constitution itself; but all now standing on an equal footing.

The General Government, under which all these States are united, is not, as has been justly remarked by Mr. Gray, a confederation.

It is much more than a confederation. It is a popular representative government, with all the departments, and all the functions and organs of such a government. But it is still a limited, a restrained, a severely-guarded government. It exists under a written Constitution, and all that human wisdom could do, is done, to define its powers, and to prevent their abuse. It is placed in what was supposed to be the safest medium between dangerous authority on the one hand, and debility and inefficiency on the other. I think that happy medium was found, by the exercise of the greatest political sagacity, and the influence of the highest good fortune. We cannot move the system either way, without the probability of hurtful change; and as experience has taught us its safety, and its usefulness, when left where it is, our duty is a plain one.

It cannot be doubted that a system thus complicated must be accompanied by more or less of danger, in every stage of its existence. It has not the simplicity of despotism. It is not a plain column, that stands self-poised and self-supported. Nor is it a loose, irregular, unfixed, and undefined system of rule, which admits of constant and violent changes, without losing its character. But it is a balanced and guarded system; a system of checks and controls; a system in which powers are carefully delegated, and as carefully limited; a system in which the symmetry of the parts is designed to produce an aggregate whole, which shall be favorable to personal liberty, favorable to public prosperity, and favorable to national glory. And who can deny, that by a trial of fifty years, this American system of government has proved itself capable of conferring all these blessings? These years have been years of great agitation throughout the civilized world. In the course of them the face of Europe has been completely changed. Old and corrupt governments have been destroyed, and new ones, erected in their places, have been destroyed too, sometimes in rapid succession. Yet, through all the extraordinary, the most extraordinary scenes of this half century, the free, popular, representative government of the United States has stood, and has afforded security for liberty, for property, and for reputation, to all citizens.

That it has had many dangers, that it has met critical moments, is certain. That it has now dangers, and that a crisis is now before it, is equally clear, in my judgment. But it has hitherto been preserved, and vigilance and patriotism may rescue it again.

Our dangers, Gentlemen, are not from *without*. We have nothing to fear from foreign powers, except those interruptions of the occupations of life which all wars occasion. The dangers to our system, as a system, do not spring from that quarter. On the contrary, the pressure of foreign hostility would be most likely to unite us, and to strengthen our union, by an augmented sense of its utility and necessity. But our dangers are from *within*. I do not now

speak of those dangers which have in all ages beset republican governments, such as luxury among the rich, the corruption of public officers, and the general degradation of public morals. I speak only of those peculiar dangers, to which the structure of our government particularly exposes it, in addition to all other ordinary dangers. These arise among ourselves; they spring up at home; and the evil which they threaten is no less than disunion, or the overthrow of the whole system. Local feelings, and local parties, a notion sometimes sedulously cultivated, of opposite interests, in different portions of the Union, evil prophecies respecting its duration, cool calculations upon the benefits of separation, a narrow feeling, that cannot embrace all the States, as one country, an unsocial, anti-national, and half-belligerent spirit, which sometimes betrays itself, — all these undoubtedly are causes which affect, more or less, our prospect of holding together. All these are unpropitious influences.

The Constitution, again, is founded on compromise, and the most perfect and absolute good faith, in regard to every stipulation of this kind contained in it, is indispensable to its preservation. Every attempt to accomplish even the best purpose, every attempt to grasp that which is regarded as an immediate good, in violation of these stipulations, is full of danger to the whole Constitution. I need not say, also, that possible collision between the General and the State Governments, always has been, is, and ever must be, a source of danger to be strictly watched by wise men.

But, Gentlemen, as I have spoken of dangers now, in my judgment, actually existing, I will state at once my opinions on that point, without fear, and without reserve. I reproach no man, I accuse no man; but I speak of things as they appear to me, and I speak of principles and practices which I deem most alarming. I think, then, Gentlemen, that a great practical change is going on in the Constitution, which, if not checked, must completely alter its whole character. This change consists in the diminution of the just powers of Congress on the one hand, and in the vast increase of Executive authority on the other. The government of the United States, in the aggregate, or the legislative power of Congress, seems fast losing, one after another, its accustomed powers. One by one, they are practically struck out of the Constitution. What has become of the power of Internal Improvement? Does it remain in the Constitution, or is it erased by the repeated exercise of the President's Veto, and the acquiescence in that exercise of all who call themselves his friends, whatever their own opinions of the Constitution may be? The power to create a National Bank — a power exercised for forty years, approved by all Presidents, and by Congress at all times, and sanctioned by a solemn adjudication of the Supreme Court — is it not true that party has agreed to strike

this power, too, from the Constitution, in compliance with what has been openly called the interests of party? Nay, more; that great power, the power of protecting Domestic Industry, who can tell me whether that power is now regarded as in the Constitution, or out of it?

But, if it be true, that the diminution of the just powers of Congress, in these particulars, has been attempted, and attempted with more or less success, it is still more obvious, I think, that the Executive power of the government has been dangerously increased. It is spread, in the first place, over all that ground, from which the legislative power of Congress is driven. Congress can no longer establish a Bank, controlled by the laws of the United States, amenable to the authority, and open, at all times, to the examination and inspection of the legislature. It is no longer constitutional to make such a Bank, for the safe custody of the public treasure. But of the thousand State corporations already existing, it is Constitutional for the Executive government to select such as it pleases, to intrust the public money to their keeping, without responsibility to the laws of the United States, without the duty of exhibiting their concerns, at any time, to the Committees of Congress, and with no other guards or securities, than such as Executive discretion on the one hand, and the Banks themselves on the other, may see fit to agree to.

And so of Internal Improvement. It is not every thing in the nature of public improvements, which is forbidden. It is only that the selection of objects is not with Congress. Whatever appears to the Executive discretion to be of a proper nature, or such as comes within certain not very intelligible limits, may be tolerated. And even with respect to the Tariff itself, while as a system it is denounced as unconstitutional, it is probable some portion of it might find favor.

But it is not the frequent use of the power of the Veto — it is not the readiness with which men yield their own opinions, and see important powers practically obliterated from the Constitution, in order to subserve the interest of the party — it is not even all this, which furnishes, at the present moment, the most striking demonstration of the increase of Executive authority. It is the use of the power of patronage; it is the universal giving and taking away of all place and office, for reasons no way connected with the public service, or the faithful execution of the laws; it is this which threatens with overthrow all the true principles of the Government. Patronage is reduced to a system. It is used as the patrimony, the property of party. Every office is a largess, a bounty, a favor; and it is expected to be compensated by service and fealty. A numerous and well-disciplined corps of office-holders, acting with activity and zeal, and with incredible union of purpose, is attempt-

ing to seize on the strong posts, and to control, effectually, the expression of the public will. As has been said of the Turks in Europe, they are not so much mingled with us, as encamped among us. And it is more lamentable, that the apathy which prevails in a time of general prosperity, produces, among a great majority of the people, a disregard to the efforts and objects of this well-trained and effective corps. But, Gentlemen, the principle is vicious; it is destructive and ruinous; and whether it produces its work of disunion to-day or to-morrow, it must produce it in the end. It must destroy the balance of the government, and so destroy the government itself. The government of the United States controls the army, the navy, the custom-house, the post-office, the land-offices, and other great sources of patronage. What have the States to oppose to all this? And if the States shall see all this patronage, if they shall see every officer under this government, in all its ramifications, united with every other officer, and all acting steadily in a design to produce political effect, even in State governments, is it possible not to perceive that they will, ere long, regard the whole government of the Union with distrust and jealousy, and finally with fear and hatred?

Among other evils, it is the tendency of this system to push party feelings and party spirit to their utmost excess. It involves not only opinions and principles, but the pursuits of life and the means of living, in the contests of party. The Executive himself becomes but the mere point of concentration of party power; and when Executive power is exercised or is claimed for the supposed benefit of party, party will approve and justify it. When did heated and exasperated party ever complain of its leaders for seizing on new extents of power?

This system of government has been openly avowed. Offices of trust are declared, from high places, to be the regular spoils of party victory; and all that is furnished out of the public purse, as a reward for labor in the public service, becomes thus a boon, offered to personal devotion and partisan service. The uncontrolled power of removal is the spring which moves all this machinery; and I verily believe the government is, and will be, in serious danger, till some check is placed on that power. To combine and consolidate a great party by the influence of personal hopes, to govern by the patronage of office, to exercise the power of removal at pleasure, in order to render that patronage effectual, — this seems to be the sum and substance of the political systems of the times. I am sorry to say, that the germ of this system had its first being in the Senate.

The policy began in the last year of Mr. Adams's administration, when nominations made by him to fill vacancies occurring by death or resignation, were postponed, by a vote of the majority of the Senate, to a period beyond the fourth of March then next; and this

was done with no other view than that of giving the patronage of these appointments to the in-coming President. The nomination of a Judge of the Supreme Court, among others, was thus disposed of. The regular action of the government was, in this manner, deranged, and undue and unjustly-obtained patronage came to be received as among the ordinary means of government. Some of the gentlemen, who concurred in this vote, have since, probably, seen occasion to regret it. But they thereby let loose the lion of Executive prerogative, and they have not yet found out how they can drive it back again to its cage. The debates in the Senate on these questions, in the session of 1828, 1829, are not public; but I take this occasion to say, that the minority of the Senate, as it was then constituted, including, among others, myself and colleague, contended against this innovation upon the Constitution, for days and for weeks; but we contended in vain.

The doctrine of patronage thus got a foothold in the government. A general removal from office followed, exciting, at first, no small share of public attention; but every exercise of the power rendered its exercise in the next case still easier, till removal at will has become the actual system on which the government is administered.

It is hardly a fit occasion, Gentlemen, to go into the history of this power of removal. It was declared to exist in the days of Washington, by a very small majority in each House of Congress. It has been considered as existing to the present time. But no man expected it to be used as a mere arbitrary power; and those who maintained its existence, declared, nevertheless, that it would justly become matter of impeachment, if it should be used for purposes, such as those to which the most blind among us must admit they have recently seen it habitually applied. I had the highest respect for those who originally concurred in this construction of the Constitution. But, as discreet men of the day were divided on the question; as Madison and other distinguished names were on one side, and Gerry and other distinguished names on the other, one may now differ from either, without incurring the imputation of arrogance, since he must differ from some of them; and I confess my judgment would have been that the power of removal did not belong to the President alone; that it was but a part of the power of appointment, since the power of appointing one man to office, implies the power of vacating that office, by removing another out of it; and as the whole power of appointment is granted, not to the President alone, but to the President and Senate, the true interpretation of the Constitution would have carried the power of removal into the same hands. I have, however, so recently expressed my sentiments on this point, in another place, that it would be improper to pursue this line of observation further.

In the course of the last session, Gentlemen, several Bills passed

the Senate, intended to correct abuses, to restrain useless expenditure, to curtail the discretionary authority of public officers, and to control government patronage. The Post-Office Bill, the Custom-House Bill, and the Bill respecting the tenure of office, were all of this class. None of them, however, received the favorable consideration of the other House. I believe, that in all these respects, a reform, a real, honest reform, is decidedly necessary to the security of the Constitution; and while I continue in public life, I shall not halt in my endeavors to produce it. It is time to bring back the government to its true character of an agency for the people. It is time to declare that offices, created for the people, are public trusts, not private spoils. It is time to bring each and every Department within its true original limits. It is time to assent, on one hand, to the just powers of Congress, in their full extent, and to resist, on the other, the progress and rapid growth of Executive authority.

These, Gentlemen, are my opinions. I have spoken them frankly, and without reserve. Under present circumstances, I should wish to avoid any concealment, and to state my political opinions, in their full length and breadth. I desire not to stand before the country as a man of no opinions, or of such a mixture of opposite opinions, that the result has no character at all. On the contrary, I am desirous of standing as one who is bound to his own consistency by the frankest avowal of his sentiments, on all important and interesting occasions. I am not partly for the Constitution, and partly against it; I am wholly for it, for it altogether, for it as it is, and for the exercise, when occasion requires, of all its just powers, as they have heretofore been exercised by Washington, and the great men who have followed him in its administration.

I disdain, altogether, the character of an uncommitted man. I am committed, fully committed; committed to the full extent of all that I am, and all that I hope, to the Constitution of the country, to its love and reverence, to its defence and maintenance, to its warm commendation to every American heart, and to its vindication and just praise, before all mankind. And I am committed *against* every thing, which, in my judgment, may weaken, endanger, or destroy it. I am committed *against* the encouragement of local parties and local feelings; I am committed *against* all fostering of anti-national spirit; I am committed *against* the slightest infringement of the original compromise, on which the Constitution was founded; I am committed *against* any and every derangement of the powers of the several departments of the Government, *against* any derogation from the Constitutional authority of Congress, and especially *against* all extension of Executive power; and I am committed *against* any attempt to rule the free people of this country by the power and the patronage of the Government itself. I

am committed, fully and entirely committed, *against* making the government the people's master.

These, Gentlemen, are my opinions. I have purposely avowed them, with the utmost frankness. They are not the sentiments of the moment, but the result of much reflection, and of some experience in the affairs of the country. I believe them to be such sentiments as are alone compatible with the permanent prosperity of the country, or the long continuance of its Union.

And, now, Gentlemen, having thus solemnly avowed these sentiments, and these convictions, if you should find me hereafter to be false to them, or to falter in their support, I now conjure you, by all the duty you owe your country, by all your hopes of her prosperity and renown, by all your love for the general course of liberty throughout the world—I conjure you, that, renouncing me as a recreant, you yourselves go on—right on—straight forward, in maintaining with your utmost zeal, and with all your power, the true principles of the best, the happiest, the most glorious Constitution of a free government, with which it has pleased Providence, in any age, to bless any of the nations of the earth.

SPEECH

IN THE SENATE OF THE UNITED STATES, JANUARY 14, 1836, ON
MR. BENTON'S RESOLUTIONS, FOR APPROPRIATING THE SUR-
PLUS REVENUE TO NATIONAL DEFENCE.

It is not my purpose, Mr. President, to make any remark on the state of our affairs with France. The time for that discussion has not come, and I wait. We are in daily expectation of a communication from the President, which will give us light; and we are authorized to expect a recommendation by him of such measures as he thinks it may be necessary and proper for Congress to adopt. I do not anticipate him. I do not forerun him. In this most important and delicate business, it is the proper duty of the Executive to go forward, and I, for one, do not intend either to be drawn or driven into the lead. When official information shall be before us, and when measures shall be recommended upon the proper responsibility, I shall endeavor to form the best judgment I can, and shall act according to its dictates.

I rise, now, for another purpose. This resolution has drawn on a debate upon the general conduct of the Senate during the last session of Congress, and especially in regard to the proposed grant of the three millions to the President on the last night of the session. My main object is to tell the story of this transaction, and to exhibit the conduct of the Senate fairly to the public view. I owe this duty to the Senate. I owe it to the committee with which I am connected; and although whatever is personal to an individual is generally of too little importance to be made the subject of much remark, I hope I may be permitted to say that, in a matter, in regard to which there has been so much misrepresentation, I wish to say a few words for the sake of defending my own reputation.

This vote for the three millions was proposed by the House of Representatives as an amendment to the fortification bill; and the loss of that bill, three millions and all, is the charge which has been made upon the Senate, sounded over all the land, and now again renewed. I propose to give the true history of this bill, its origin, its progress, and its loss.

Before attempting that, however, let me remark, for it is worthy to be remarked, and remembered, that the business brought before the Senate last session, important and various as it was, and both

public and private, was all gone through, with most uncommon despatch and promptitude. No session has witnessed a more complete clearing off and finishing of the subjects before us. The communications from the other House, whether bills or whatever else, were especially attended to in a proper season, and with that ready respect which is due from one House to the other. I recollect nothing of any importance which came to us from the House of Representatives, which was here neglected, overlooked, or disregarded.

On the other hand, it was the misfortune of the Senate, and, as I think, the misfortune of the country, that, owing to the state of business in the House of Representatives towards the close of the session, several measures which had been matured in the Senate, and passed into bills, did not receive attention, so as to be either agreed to or rejected, in the other branch of the Legislature. They fell, of course, by the termination of the session.

Among these measures may be mentioned the following, viz.

THE POST-OFFICE REFORM BILL, which passed the Senate *unanimously*, and of the necessity for which the whole country is certainly now most abundantly satisfied ;

THE CUSTOM-HOUSE REGULATIONS BILL, which also passed nearly unanimously, after a very laborious preparation by the Committee on Commerce, and a full discussion in the Senate ;

THE JUDICIARY BILL, passed here by a majority of thirty-one to five, and which has again already passed the Senate at this session with only a single dissenting vote ;

THE BILL INDEMNIFYING CLAIMANTS FOR FRENCH SPOILIATIONS BEFORE 1800 ;

THE BILL REGULATING THE DEPOSIT OF THE PUBLIC MONEY IN THE DEPOSIT BANKS ;

THE BILL RESPECTING THE TENURE OF CERTAIN OFFICES, AND THE POWER OF REMOVAL FROM OFFICE ; which has now again passed to be engrossed, in the Senate, by a decided majority.

All these important measures, matured and passed in the Senate in the course of the session, and many others whose importance was less, were sent to the House of Representatives, and we never heard any thing more from them. They there found their graves.

It is worthy of being remarked, also, that the attendance of members of the Senate was remarkably full, particularly toward the end of the session. On the last day, every Senator was in his place till very near the hour of adjournment, as the Journal will show. We had no breaking up for want of a quorum ; no delay, no calls of the Senate ; nothing which was made necessary by the negligence or inattention of the members of this body. On the vote of the three millions of dollars, which was taken at about eight o'clock in the evening, forty-eight votes were given, every member of the Senate being in his place and answering to his name. This

is an instance of punctuality, diligence, and labor, continued to the very end of an arduous session, wholly without example or parallel.

The Senate, then, sir, must stand, in the judgment of every man, fully acquitted of all remissness, all negligence, all inattention, amidst the fatigue and exhaustion of the closing hours of Congress. Nothing passed unheeded, nothing was overlooked, nothing forgotten, and nothing slighted.

And now, sir, I would proceed immediately to give the history of the Fortification Bill, if it were not necessary, as introductory to that history, and as showing the circumstances under which the Senate was called on to transact the public business, first to refer to another bill which was before us, and to the proceedings which were had upon it.

It is well known, sir, that the annual appropriation bills always originate in the House of Representatives. This is so much the course, that no one ever looks to see such a bill first brought forward in the Senate. It is also well known, sir, that it has been usual, heretofore, to make the annual appropriations for the Military Academy at West Point, in the general bill, which provides for the pay and support of the army. But last year the army bill did not contain any appropriation whatever for the support of West Point. I took notice of this singular omission when the bill was before the Senate, but presumed, and indeed understood, that the House would send us a separate bill for the Military Academy. The army bill, therefore, passed; but no bill for the Academy at West Point appeared. We waited for it from day to day, and from week to week, but waited in vain. At length, the time for sending bills from one House to the other, according to the joint rules of the two Houses, expired, and no bill had made its appearance for the support of the Military Academy. These joint rules, as is well known, are sometimes suspended on the application of one House to the other, in favor of particular bills, whose progress has been unexpectedly delayed, but which the public interest requires to be passed. But the House of Representatives sent us no request to suspend the rules in favor of a bill for the support of the Military Academy, nor made any other propositions to save the Institution from immediate dissolution. Notwithstanding all the talk about a war, and the necessity of a vote for the three millions, the Military Academy, an institution cherished so long, and at so much expense, was on the very point of being entirely broken up.

Now it so happened, sir, that at this time there was another appropriation bill which had come from the House of Representatives, and was before the Committee on Finance here. This bill was entitled "An act making appropriations for the civil and diplomatic expenses of the Government for the year 1835."

In this state of things, several members of the House of Representatives applied to the committee, and besought us to save the Academy by annexing the necessary appropriations for its support to the bill for civil and diplomatic service. We spoke to them, in reply, of the unfitness, the irregularity, the incongruity, of this forced union of such dissimilar subjects ; but they told us it was a case of absolute necessity, and that, without resorting to this mode, the appropriation could not get through. We acquiesced, sir, in these suggestions. We went out of our way. We agreed to do an extraordinary and an irregular thing, in order to save the public business from miscarriage. By direction of the committee, I moved the Senate to add an appropriation for the Military Academy to the bill for defraying civil and diplomatic expenses. The bill was so amended ; and in this form the appropriation was finally made.

But this was not all. This bill for the civil and diplomatic service being thus amended, by tacking the Military Academy upon it, was sent back by us to the House of Representatives, where its length of tail was to be still much further increased. That House had before it several subjects for provision, and for appropriation, upon which it had not passed any bill, before the time for passing bills to be sent to the Senate had elapsed. I was anxious that these things should, in some way, be provided for ; and when the diplomatic bill came back, drawing the Military Academy after it, it was thought prudent to attach to it various of these other provisions. There were propositions to pave the streets in the city of Washington, to repair the Capitol, and various other things, which it was necessary to provide for ; and they, therefore, were put into the same bill by way of amendment to an amendment ; that is to say, Mr. President, we had been prevailed on to amend their bill for defraying the salary of our ministers abroad, by adding an appropriation for the Military Academy ; and they proposed to amend this our amendment, by adding to it matter as germane to it, as it was to the original bill. There was also the President's gardener. His salary was unprovided for ; and there was no way of remedying this important omission, but by giving him place in the diplomatic service bill, among *chargés d'affaires*, *envoys extraordinaires*, and ministers plenipotentiary. In and among these ranks, therefore, he was formally introduced by the amendment of the House, and there he now stands, as you will readily see, by turning to the law.

Sir, I have not the pleasure to know this useful person ; but, should I see him, some morning, overlooking the workmen in the lawns, walks, copses, and parterres which adorn the grounds around the President's residence, considering the company into which we have introduced him, I should expect to see, at least, a small diplomatic button on his working jacket.

When these amendments came from the House, and were read at our table, though they caused a smile, they were yet adopted, and the law passed, almost with the rapidity of a comet, and with something like the same length of tail.

Now, sir, not one of these irregularities or incongruities, no part of this jumbling together of distinct and different subjects, was, in the slightest degree, occasioned by any thing done, or omitted to be done, on the part of the Senate. Their proceedings were all regular; their decision prompt, their despatch of the public business correct and reasonable. There was nothing of disorganization, nothing of procrastination, nothing evincive of a temper to embarrass or obstruct the public business. If the history which I have now truly given, shows that one thing was amended by another, which had no sort of connection with it, that unusual expedients were resorted to, and that the laws, instead of arrangement and symmetry, exhibit anomaly, confusion, and the most grotesque associations, it is, nevertheless, true, that no part of all this was made necessary by us. We deviated from the accustomed modes of legislation only when we were supplicated to do so, in order to supply bald and glaring deficiencies in measures which were before us.

But now, Mr. President, let me come to the Fortification Bill, the lost bill, which not only now, but on a graver occasion, has been lamented like the lost Pleiad.

This bill, sir, came from the House of Representatives to the Senate, in the usual way, and was referred to the Committee on Finance. Its appropriations were not large. Indeed, they appeared to the committee to be quite too small. It struck a majority of the committee at once that there were several fortifications on the coast, either not provided for at all, or not adequately provided for by this bill. The whole amount of its appropriations was 400,000 or 430,000 dollars. It contained no grant of three millions, and if the Senate had passed it the very day it came from the House, not only would there have been no appropriation of the three millions, but, sir, none of these other sums which the Senate did insert in the bill. Others, besides ourselves, saw the deficiencies of this bill. We had communications with and from the Departments, and we inserted in the bill every thing which any Department recommended to us. We took care to be sure that nothing else was coming. And we then reported the bill to the Senate with our proposed amendments. Among these amendments, there was a sum of \$75,000 for Castle Island, in Boston, \$100,000 for defences in Maryland, and so forth. These amendments were agreed to by the Senate, and one or two others added, on the motion of members; and the bill, being thus amended, was returned to the House.

And now, sir, it becomes important to ask when was this bill, thus amended, returned to the House of Representatives? Was it unduly detained here, so that the House was obliged afterwards to act upon it suddenly? This question is material to be asked, and material to be answered, too, and the Journal does satisfactorily answer it; for it appears by the Journal that the bill was returned to the House of Representatives on Tuesday, the 24th of February, *one whole week before the close of the session*. And from Tuesday, the 24th of February, to Tuesday, the 3d day of March, we heard not one word from this bill. Tuesday, the 3d day of March, was, of course, the last day of the session. We assembled here at 10 or 11 o'clock in the morning of that day, and sat until three in the afternoon, and still we were not informed whether the House had finally passed the bill. As it was an important matter, and belonged to that part of the public business which usually receives particular attention from the Committee on Finance, I bore the subject in my mind, and felt some solicitude about it, seeing that the session was drawing so near to a close. I took it for granted, however, as I had not heard any thing to the contrary, that the amendments of the Senate would not be objected to, and that when a convenient time should arrive for taking up the bill in the House, it would be passed at once into a law, and we should hear no more about it. Not the slightest intimation was given, either that the Executive wished for any larger appropriation, or that it was intended in the House to insert such larger appropriation. Not a syllable escaped from any body, and came to our knowledge, that any further alteration whatever was intended in the bill.

At 3 o'clock in the afternoon of the 3d of March, the Senate took its recess, as is usual in that period of the session, until 5. At 5, we again assembled, and proceeded with the business of the Senate until 8 o'clock in the evening; and, at 8 o'clock in the evening, and not before, the Clerk of the House appeared at our door, and announced that the House of Representatives had *disagreed* to one of the Senate's amendments, *agreed* to others; and to two of those amendments, viz. the 4th and 5th, it had agreed, *with an amendment of its own*.

Now, sir, these 4th and 5th amendments of ours were, one, a vote of \$75,000 for the castle in Boston harbor, and the other, a vote of \$100,000 for certain defences in Maryland. And what, sir, was the addition which the House of Representatives proposed to make, by way of "*amendment*" to a vote of \$75,000 for repairing the works in Boston harbor? Here, sir, it is:

"*And be it further enacted*, That the sum of three millions of dollars be, and the same is hereby appropriated, out of any money

in the Treasury not otherwise appropriated, to be expended, in whole or in part, under the direction of the President of the United States, for the military and naval service, including fortifications and ordnance, and increase of the navy: *Provided*, such expenditures shall be rendered necessary for the defence of the country prior to the next meeting of Congress."

This proposition, sir, was thus unexpectedly and suddenly put to us, at eight o'clock in the evening of the last day of the session. Unusual, unprecedented, extraordinary, as it obviously is, on the face of it, the manner of presenting it was still more extraordinary. The President had asked for no such grant of money; no Department had recommended it; no estimate had suggested it; no reason whatever was given for it. No emergency had happened, and nothing new had occurred; every thing known to the Administration, at that hour, respecting our foreign relations, had certainly been known to it for days and weeks.

With what propriety, then, could the Senate be called on to sanction a proceeding so entirely irregular and anomalous? Sir, I recollect the occurrences of the moment very well, and I remember the impression which this vote of the House seemed to make all round the Senate. We had just come out of Executive session; the doors were but just opened; and I hardly remember whether there was a single spectator in the hall or the galleries. I had been at the Clerk's table, and had not reached my seat, when the message was read. All the Senators were in the chamber. I heard the message, certainly with great surprise and astonishment; and I immediately moved the Senate to *disagree* to this vote of the House. My relation to the subject, in consequence of my connection with the Committee on Finance, made it my duty to propose some course, and I had not a moment's doubt or hesitation what that course ought to be. I took upon myself, then, sir, the responsibility of moving that the Senate should disagree to this vote, and I now acknowledge that responsibility. It might be presumptuous to say that I took a leading part, but I certainly took an early part, a decided part, and an earnest part, in rejecting this broad grant of three millions of dollars, without limitation of purpose or specification of object; called for by no recommendation, founded on no estimate, made necessary by no state of things which was made known to us. Certainly, sir, I took a part in its rejection; and I stand here, in my place in the Senate, to-day, ready to defend the part so taken by me; or, rather, sir, I disclaim all defence, and all occasion of defence, and I assert it as meritorious to have been among those who arrested, at the earliest moment, this extraordinary departure from all settled usage, and, as I think, from plain constitutional injunction — this indefinite voting of a vast sum

of money, to mere Executive discretion, without limit assigned, without object specified, without reason given, and without the least control under Heaven.

Sir, I am told, that, in opposing this grant, I spoke with warmth, and I suppose I may have done so. If I did, it was a warmth springing from as honest a conviction of duty as ever influenced a public man. It was spontaneous, unaffected, sincere. There had been among us, sir, no consultation, no concert. There could have been none. Between the reading of the message, and my motion to disagree, there was not time enough for any two members of the Senate to exchange five words on the subject. The proposition was sudden and perfectly unexpected. I resisted it, as irregular, as dangerous in itself, and dangerous in its precedent; as wholly unnecessary, and as violating the plain intention, if not the express words of the Constitution. Before the Senate, then, I avowed, and before the country I now avow, my part in this opposition. Whatsoever is to fall on those who sanctioned it, of that let me have my full share.

The Senate, sir, rejected this grant by a vote of TWENTY-NINE against nineteen. Those twenty-nine names are on the Journal; and whensoever the EXPUNGING process may commence, or how far soever it may be carried, I pray it, in mercy, not to erase mine from that record. I beseech it, in its sparing goodness, to leave me that proof of attachment to duty and to principle. It may draw around it, over it, or through it, black lines, or red lines, or any lines; it may mark it in any way which either the most prostrate and fantastical spirit of *man-worship*, or the most ingenious and elaborate study of self-degradation, may devise, if only it will leave it so that those who inherit my blood, or who may hereafter care for my reputation, shall be able to behold it where it now stands.

The House, sir, insisted on this amendment. The Senate adhered to its disagreement; the House asked a conference, to which request the Senate immediately acceded. The committees of conference met, and, in a very short time, came to an agreement. They agreed to recommend to their respective Houses, as a substitute for the vote proposed by the House, the following:

“As an additional appropriation for arming the fortifications of the United States, three hundred thousand dollars.”

“As an additional appropriation for the repairs and equipment of ships of war of the United States, five hundred thousand dollars.”

I immediately reported this agreement of the committees of conference to the Senate; but, inasmuch as the bill was in the House of Representatives, the Senate could not act further on the matter until the House should first have considered the report of

the committees, decided thereon, and sent us the bill. I did not myself take any note of the particular hour of this part of the transaction. The honorable member from Virginia (Mr. Leigh) says he consulted his watch at the time, and he knows that I had come from the conference, and was in my seat at a quarter past eleven. I have no reason to think that he is under any mistake on this particular. He says it so happened that he had occasion to take notice of the hour, and well remembers it. It could not well have been later than this, as any one will be satisfied who will look at our journals, public and executive, and see what a mass of business was despatched after I came from the committees, and before the adjournment of the Senate. Having made the report, sir, I had no doubt that both Houses would concur in the result of the conference, and looked every moment for the officer of the House bringing the Bill. He did not come, however, and I pretty soon learned that there was doubt whether the committee on the part of the House would report to the House the agreement of the conferees. At first, I did not at all credit this; but was confirmed by one communication after another, until I was obliged to think it true. Seeing that the bill was thus in danger of being lost, and intending at any rate that no blame should justly attach to the Senate, I immediately moved the following resolution:

“Resolved, That a message be sent to the honorable the House of Representatives respectfully to remind the House of the report of the committee of conference appointed on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill respecting the fortificating of the United States.”

You recollect this resolution, sir, having, as I well remember, taken some part on the occasion.*

This resolution was promptly passed; the Secretary carried it to the House, and delivered it. What was done in the House on the receipt of this message now appears from the printed journal. I have no wish to comment on the proceedings there recorded — all may read them, and each be able to form his own opinion. Suffice it to say that the House of Representatives, having then possession of the bill, chose to retain that possession, and never acted on the report of the committee. The bill, therefore, was lost. It was lost in the House of Representatives. It died there, and there its remains are to be found. No opportunity was given to the members of the House to decide whether they would agree to the report of the two committees or not. From a quarter past eleven, when the report was agreed to, until two or three o'clock in the morning, the House remained in session. If at any time there was not a quo-

* Mr. King, of Alabama, was in the chair.

rum of members present, the attendance of a quorum, we are to presume, might have been commanded, as there was undoubtedly a great majority of the members still in the city.

But now, sir, there is one other transaction of the evening, which I feel bound to state, because I think it quite important, on several accounts, that it should be known.

A nomination was pending before the Senate for a Judge of the Supreme Court. In the course of the sitting, that nomination was called up, and, on motion, was indefinitely postponed. In other words, it was rejected; for an indefinite postponement is a rejection. The office, of course, remained vacant, and the nomination of another person to fill it became necessary. The President of the United States was then in the Capitol, as is usual on the evening of the last day of the session, in the chamber assigned to him, and with the heads of Departments around him. When nominations are rejected under these circumstances, it has been usual for the President immediately to transmit a new nomination to the Senate; otherwise the office must remain vacant till the next session, as the vacancy in such case has not happened in the recess of Congress. The vote of the Senate, indefinitely postponing this nomination, was carried to the President's room by the Secretary of the Senate. The President told the Secretary that it was more than an hour past 12 o'clock, and that he could receive no further communications from the Senate, and immediately after, as I have understood, left the Capitol. The Secretary brought back the paper containing the certified copy of the vote of the Senate, and endorsed thereon the substance of the President's answer, and also added that, according to his own watch, it was quarter past one o'clock.

There are two views, sir, in which this occurrence may well deserve to be noticed. One is a connection which it may perhaps have with the loss of the Fortification bill; the other is, its general importance, as introducing a new rule, or a new practice, respecting the intercourse between the President and the House of Congress on the last day of the session.

On the first point, I shall only observe that the fact of the President's having declined to receive this communication from the Senate, and of his having left the Capitol, was immediately known in the House of Representatives; that it was quite obvious that if he could not receive a communication from the Senate, neither could he receive a bill from the House of Representatives for his signature. It was equally obvious, that if, under these circumstances, the House of Representatives should agree to the report of the committee of conference, so that the bill should pass, it must, nevertheless, fail to become a law, for want of the President's signature; and that, in that case, the blame of losing the bill, on whomsoever else it might fall, could not be laid upon the Senate.

On the more general point, I must say, sir, that this decision of the President, not to hold communication with the Houses of Congress after 12 o'clock, on the 3d of March, is quite new. No such objection has ever been made before, by any President. No one of them has ever declined communicating with either House at any time during the continuance of its session on that day. All Presidents, heretofore, have left it with the Houses themselves to fix their hour of adjournment, and to bring their session, for the day, to a close, whenever they saw fit.

It is notorious, in point of fact, that nothing is more common than for both Houses to sit later than 12 o'clock, for the purpose of completing measures which are in the last stages of their progress. Amendments are proposed and agreed to, bills passed, enrolled bills signed by the presiding officers, and other important legislative acts performed, often at 2 or 3 o'clock in the morning. All this is very well known to gentlemen who have been for any considerable time members of Congress. And all Presidents have signed bills, and have also made nominations to the Senate, without objection as to time, whenever bills have been presented for signature, or whenever it became necessary to make nominations to the Senate, at any time during the session of the respective Houses on that day.

And all this, sir, I suppose to be perfectly right, correct, and legal. There is no clause of the Constitution, nor is there any law, which declares that the term of office of members of the House of Representatives shall expire at twelve o'clock at night on the 3d of March. They are to hold for two years, but the precise hour for the commencement of that term of two years is no where fixed by constitutional or legal provision. It has been established by usage and by inference, and very properly established, that, since the first Congress commenced its existence, on the first Wednesday in March, 1789, which happened to be the 4th day of the month, therefore, the 4th of March is the day of the commencement of each successive term, but no hour is fixed by law or practice. The true rule is, as I think, most undoubtedly, that the session holden on the last day constitutes the last day, for all legislative and legal purposes. While the session commenced on that day continues, the day itself continues, according to the established practice both of legislative and judicial bodies. This could not well be otherwise. If the precise moment of actual time were to settle such a matter, it would be material to ask, who shall settle the time? Shall it be done by public authority, or shall every man observe the tick of his own watch? If absolute time is to furnish a precise rule, the excess of a minute, it is obvious, would be as fatal as the excess of an hour. Sir, no bodies, judicial or legislative, have ever been so hypercritical, so astute to no purpose, so

much more nice than wise, as to govern themselves by any such ideas. The session for the day, at whatever hour it commences, or at whatever hour it breaks up, is the legislative day. Every thing has reference to the commencement of that diurnal session. For instance, this is the 14th day of January ; we assembled here to-day at 12 o'clock ; our journal is dated January 14th, and if we should remain here until 5 o'clock to-morrow morning, (and the Senate has sometimes sat so late,) our proceedings would still bear date of the 14th of January ; they would be so stated upon the journal, and the journal is a record, and is a conclusive record, so far as respects the proceedings of the body.

It is so in judicial proceedings. If a man were on trial for his life, at a late hour on the last day allowed by law for the holding of the court, and the jury acquitted him, but happened to remain so long in deliberation that they did not bring in their verdict till after 12 o'clock, is it all to be held for nought, and the man to be tried over again ? Are all verdicts, judgments, and orders of courts, null and void, if made after midnight, on the day which the law prescribes as the last day ? It would be easy to show by authority, if authority could be wanted for a thing, the reason of which is so clear, that the day lasts while the daily session lasts. When the court or the legislative body adjourns for that day, the day is over, and not before.

I am told, indeed, sir, that it is true that, on this same 3d day of March last, not only were other things transacted, but that the bill for the repair of the Cumberland road, an important and much litigated measure, actually received the signature of our presiding officer after 12 o'clock, was then sent to the President, and signed by him. I do not affirm this, because I took no notice of the time, or do not remember it if I did ; but I have heard the matter so stated.

I see no reason, sir, for the introduction of this new practice ; no principle on which it can be justified, no necessity for it, no propriety in it. As yet, it has been applied only to the President's intercourse with the Senate. Certainly it is equally applicable to his intercourse with both Houses in legislative matters ; and if it is to prevail hereafter, it is of much importance that it should be known.

The President of the United States, sir, has alluded to this loss of the Fortification bill in his message at the opening of the session, and he has alluded also, in the same message, to the rejection of the vote of the three millions. On the first point, that is, the loss of the whole bill, and the causes of that loss, this is his language : —

“ Much loss and inconvenience have been experienced in consequence of the failure of the bill containing the ordinary appropriations for fortifications, which passed one branch of the National Legislature at the last session, but was lost in the other.”

If the President intended to say that the bill, having originated in the House of Representatives, passed the Senate, and was yet afterwards lost in the House of Representatives, he was entirely correct. But he has been altogether wrongly informed, if he intended to state, that the bill, having passed the House, was lost in the Senate. As I have already stated, the bill was lost in the House of Representatives. It drew its last breath there. That House never let go its hold on it after the report of the committees of conference. But it held it, it retained it, and of course, it died in its possession when the House adjourned. It is to be regretted that the President should have been misinformed in a matter of this kind, when the slightest reference to the journals of the two Houses would have exhibited the correct history of the transaction.

I recur again, Mr. President, to the proposed grant of the three millions, for the purpose of stating somewhat more distinctly the true grounds of objection to that grant.

These grounds of objection were two: the first was, that no such appropriation had been recommended by the President, or any of the Departments. And what made this ground the stronger was, that the proposed grant was defended, so far as it was defended at all, upon an alleged necessity, growing out of our foreign relations. The foreign relations of the country are intrusted by the Constitution to the lead and management of the Executive Government. The President not only is supposed to be, but usually is, much better informed on these interesting subjects than the Houses of Congress. If there be a danger of rupture with a foreign State, he sees it soonest. All our ministers and agents abroad are but so many eyes, and ears, and organs, to communicate to him whatsoever occurs in foreign places, and to keep him well advised of all which may concern the interests of the United States. There is an especial propriety, therefore, that, in this branch of the public service, Congress should always be able to avail itself of the distinct opinions and recommendations of the President. The two Houses, and especially the House of Representatives, are the natural guardians of the People's money. They are to keep it sacred, and to use it discreetly. They are not at liberty to spend it where it is not needed, nor to offer it for any purpose till a reasonable occasion for the expenditure be shown. Now, in this case, I repeat, again, the President had sent us no recommendation for any such appropriation; no Department had recommended it; no estimate had contained it; in the whole history of the session, from the morning of the first day, down to 8 o'clock in the evening of the last day, not one syllable had been said to us, not one hint suggested, showing that the President deemed any such measure either necessary or proper. I state this strongly, sir, but I state it truly; I state the matter as it is; and I wish to draw the attention

of the Senate and of the country strongly to this part of the case. I say again, therefore, that when this vote for the three millions was proposed to the Senate, there was nothing before us, showing that the President recommended any such appropriation. You very well know, sir, that this objection was immediately stated as soon as the message from the House was read. We all well remember that was the very point put forth by the honorable member from Tennessee, (Mr. White,) as being, if I may say so, the butt-end of his argument in opposition to the vote. He said, very significantly, and very forcibly, "It is not asked for by those who best know what the public service requires; how then are we to presume that it is needed?" This question, sir, was not answered then: it never has been answered since; it never can be answered satisfactorily.

But let me here again, sir, recur to the message of the President. Speaking of the loss of the bill, he uses these words:—

"This failure was the more regretted, not only because it necessarily interrupted and delayed the progress of a system of national defence projected immediately after the last war, and since steadily pursued, but also because it contained a contingent appropriation, inserted in accordance with the views of the Executive, in aid of this important object, and other branches of the national defence, some portions of which might have been most usefully applied during the past season."

Taking these words of the message, sir, and connecting them with the fact that the President had made no recommendation to Congress of any such appropriation, it strikes me they furnish matter for very grave reflection. The President says that this proposed appropriation was "in accordance with the views of the Executive;" that it was "in aid of an important object;" and that "some portions of it might have been most usefully applied during the past season."

And now, sir, I ask, if this be so, why was not this appropriation recommended to Congress by the President? I ask this question in the name of the Constitution of the United States; I stand on its own clear authority in asking it; and I invite all those who remember its injunctions, and who mean to respect them, to consider well how the question is to be answered.

Sir, the Constitution is not yet an entire dead letter. There is yet some form of observance to its requirements; and even while any degree of formal respect is paid to it, I must be permitted to continue the question, why was not this appropriation recommended? It was in accordance with the President's views; it was for an important object; it might have been usefully expended. The President being of opinion, therefore, that the appropriation was necessary and proper, how is it that it was not recommended to Congress? For, sir, we all know the plain and direct words in

which the very first duty of the President is imposed by the Constitution. Here they are : —

“He shall, from time to time, give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient.”

After enumerating the *powers* of the President, this is the first, the very first *duty* which the Constitution gravely enjoins upon him. And now, sir, in no language of taunt or reproach, in no language of party attack, in terms of no asperity or exaggeration, but called upon by the necessity of defending my own vote upon the subject, I now, as a public man, as a member of Congress here in my place, and as a citizen who feels as warm an attachment to the Constitution of the country, as any other can, demand of any who may choose to give it, an answer to this question : “WHY WAS NOT THIS MEASURE, WHICH THE PRESIDENT DECLARES THAT HE THOUGHT NECESSARY AND EXPEDIENT, RECOMMENDED TO CONGRESS?” And why am I, and why are other members of Congress, whose path of duty the Constitution says shall be enlightened by the President’s opinions and communications, to be charged with want of patriotism and want of fidelity to the country, because we refused an appropriation which the President, though it was in accordance with his views, and though he believed it important, would not, and did not, recommend to us? When these questions are answered, sir, to the satisfaction of intelligent and impartial men, then, and not till then, let reproach, let censure, let suspicion of any kind rest on the twenty-nine names which stand opposed to this appropriation.

How, sir, were we to know that this appropriation “was in accordance with the views of the Executive”? He had not so told us, formally or informally. He had not only not recommended it to Congress, or either House of Congress, but nobody on this floor had undertaken to speak in his behalf. No man got up to say, “The President’s desire is, he thinks it necessary, expedient, and proper.” But, sir, if any gentleman had risen to say this, it would not have answered the requisition of the Constitution. Not at all. It is not a hint, an intimation, the suggestion of a friend, by which the Executive duty in this respect is to be fulfilled. By no means. The President is to make a recommendation ; a public recommendation, an official recommendation, a responsible recommendation, not to one House, but to both Houses ; it is to be a recommendation to Congress. If, on receiving such recommendation, Congress fail to pay it proper respect, the fault is theirs. If, deeming the measure necessary and expedient, the President fail to recommend it, the fault is his, clearly, distinctly, and exclusively his. This, sir, is the Constitution of the United States, or else I do not understand the Constitution of the United States. Does

not every man see how perfectly unconstitutional it is that the President should communicate his opinions or wishes to Congress on such grave and important subjects, otherwise than by a direct and responsible recommendation—a public and open recommendation, equally addressed and equally known to all whose duty calls upon them to act on the subject? What would be the state of things, if he might communicate his wishes or opinions privately to members of one House, and make no such communication to the other? Would not the two Houses be necessarily put in immediate collision? Would they stand on equal footing? Would they have equal information? What could ensue from such a manner of conducting the public business, but quarrel, confusion, and conflict? A member rises in the House of Representatives, and moves a very large appropriation of money for military purposes. If he says he does it upon Executive recommendation, where is his voucher? The President is not like the British King, whose ministers and secretaries are in the House of Commons, and who are authorized, in certain cases, to express the opinions and wishes of their sovereign. We have no king's servants; at least we have none known to the Constitution. Congress can know the opinions of the President only as he officially communicates them. It would be a curious inquiry in either House, when a large appropriation is moved, if it were necessary to ask whether the mover represented the President, spoke his sentiments, or, in other words, whether what he proposed were “in accordance with the views of the Executive.” How could that be judged of? By the party he belongs to? Party is not quite *unique* enough for that. By the airs he gives himself? Many might assume airs, if thereby they could give themselves such importance as to be esteemed authentic expositors of the Executive will. Or is this will to be circulated in whispers? made known to the meetings of party men? intimated through the press? or communicated in any other form, which still leaves the Executive completely irresponsible? So that while Executive purposes or wishes pervade the ranks of party friends, influence their conduct, and unite their efforts, the open, direct, and constitutional responsibility is wholly avoided. Sir, this is not the Constitution of the United States, nor can it be consistent with any constitution which professes to maintain separate departments in the Government.

Here, then, sir, is abundant ground, in my judgment, for the vote of the Senate, and here I might rest it. But there is also another ground. The Constitution declares that no money shall be drawn from the Treasury but in consequence of appropriations made by law. What is meant by “*appropriations*”? Does this language not mean that particular sums shall be assigned, by law, to particular objects? How far this pointing out and fixing the

particular objects shall be carried, is a question that cannot be settled by any precise rule. But "specific appropriations," that is to say, the designation of every object for which money is voted, as far as such designation is practicable, has been thought to be a most important republican principle. In times past, popular parties have claimed great merit from professing to carry this doctrine much farther, and to adhere to it much more strictly than their adversaries. Mr. Jefferson, especially, was a great advocate for it, and held it to be indispensable to a safe and economical administration and disbursement of the public revenues.

But what have the friends and admirers of Mr. Jefferson to say to this *appropriation*? Where do they find, in this proposed grant of three millions, designation of object, and particular and specific application of money? Have they forgotten, all forgotten, and wholly abandoned, even all pretence for specific appropriation? If not, how could they sanction such a vote as this? Let me recall its terms. They are, that "the sum of three millions of dollars be, and the same hereby is appropriated, out of any money in the Treasury not otherwise appropriated, to be expended, in whole or in part, under the direction of the President of the United States, for the military and naval service, including fortifications and ordnance, and to increase the navy; provided such expenditures shall be rendered necessary for the defence of the country, prior to the next meeting of Congress."

In the first place, it is to be observed, that whether the money shall be used at all or not, is made to depend on the discretion of the President. This is sufficiently liberal. It carries confidence far enough. But, if there had been no other objections, if the objects of the appropriation had been sufficiently described, so that the President, if he expended the money at all, must have expended it for purposes authorized by the Legislature, and nothing had been left to his discretion but the question, whether an emergency had arisen, in which the authority ought to be exercised, I might not have felt bound to reject the vote. There are some precedents which might favor such a contingent provision, though the practice is dangerous, and ought not to be followed except in cases of clear necessity.

But the insurmountable objection to the proposed grant was, that it specified no objects. It was as general as language could make it. It embraced every expenditure that could be called either military or naval. It was to include "fortifications, ordnance, and increase of the navy," but it was not confined to these. It embraced the whole general subject of military service. Under the authority of such a law, the President might repair ships, build ships, buy ships, enlist seamen, and do any thing and every thing else touching the naval service, without restraint or control.

He might repair such fortifications as he saw fit, and neglect the rest; arm such as he saw fit, and neglect the arming of others; or build new fortifications whenever he chose. But these unlimited powers over the fortifications and the navy constitute, by no means, the most dangerous part of the proposed authority; because, under that authority, his power to raise and employ land forces was equally absolute and uncontrolled. He might levy troops, embody a new army, call out the militia in numbers to suit his own discretion, and employ them as he saw fit.

Now, sir, does our legislation, under our Constitution, furnish any precedent for all this?

We make appropriation for the army, and we understand what we are doing, because it is "the army," that is to say, the army established by law. We make appropriations for the navy; they, too, are for "the navy," as provided for and established by law. We make appropriations for fortifications, but we say what fortifications, and we assign to each its intended amount of the whole sum. This is the usual course of Congress on such subjects; and why should it be departed from? Are we ready to say that the power of fixing the places for new fortifications, and the sum allotted to each; the power of ordering new ships to be built, and fixing the number of such new ships; the power of laying out money to raise men for the army; in short, every power, great and small, respecting the military and naval service, shall be vested in the President, without specification of object or purpose, or the entire exclusion of the exercise of all judgment on the part of Congress? For one, I am not prepared. The honorable member from Ohio, near me, has said, that if the enemy had been on our shores he would not have agreed to this vote. And I say, if the proposition were now before us, and the guns of the enemy were battering against the walls of the Capitol, I would not agree to it.

The people of this country have an interest, a property, an inheritance in this INSTRUMENT, against the value of which forty Capitols do not weigh the twentieth part of one poor scruple. There can never be any necessity for such proceedings but a feigned and false necessity; a mere idle and hollow pretence of necessity; least of all, can it be said that any such necessity actually existed on the 3d of March. There was no enemy on our shores; there were no guns pointed against the Capitol; we were in no war, nor was there a reasonable probability that we should have war, unless we made it ourselves.

But whatever was the state of our foreign relations, is it not preposterous to say, that it was necessary for Congress to adopt this measure, and yet not necessary for the President to recommend it? Why should we thus run in advance of all our own duties, and leave the President completely shielded from his just responsibility?

Why should there be nothing but grant, and trust, and confidence, on our side, and nothing but discretion and power on his?

Sir, if there be any philosophy in history ; if human blood still runs in human veins ; if man still conforms to the identity of his nature, the institutions which secure constitutional liberty can never stand long against this excessive personal confidence, against this devotion to men — in utter disregard both of principle and experience, which seems to me to be strongly characteristic of our times. This vote came to us, sir, from the popular branch of the Legislature ; and that such a vote should come from such a branch of the Legislature, was amongst the circumstances which excited in me the greatest surprise and the deepest concern. Certainly, sir, certainly I was not, on that account, the more inclined to concur. It was no argument with me that others seemed to be rushing, with such heedless, headlong trust, such impetuosity of confidence, into the arms of Executive power. I held back the stronger, and would hold back the longer. I see, or I think I see, it is either a true vision of the future, revealed by the history of the past, or, if it be an illusion, it is an illusion which appears to me in all the brightness and sunlight of broad noon, that it is in this career of personal confidence, along this beaten track of *man-worship*, marked, every furlong, by the fragments of other free Governments, that our own system is making progress to its close. A personal popularity, honorably earned, at first by military achievements, and sustained now by party, by patronage, and by enthusiasm which looks for no ill, because it means no ill itself, seems to render men willing to gratify power, even before its demands are made, and to surfeit Executive discretion, even in anticipation of its own appetite. Sir, if, on the 3d of March last, it had been the purpose of both Houses of Congress to create a military dictator, what formula had been better suited to their purpose than this vote of the House? It is true, we might have given more money, if we had had it to give. We might have emptied the Treasury ; but as to the *form* of the gift, we could not have bettered it. Rome had no better models. When we give our money *for any military purpose whatever*, what remains to be done? If we leave it with one man to decide, not only whether the military means of the country shall be used at all, but how they shall be used, and to what extent they shall be employed, what remains either for Congress or the People but to sit still, and see how this dictatorial power will be exercised? On the 3d of March, sir, I had not forgotten — it was impossible that I should have forgotten — the recommendation in the message, at the opening of that session, that power should be vested in the President to issue letters of marque and reprisal against France, at his discretion, in the recess of Congress. Happily this power was not granted ; but suppose it had been, what would then have been

the true condition of this Government? Why, sir, this condition is very shortly described. The whole war power would have been in the hands of the President; for no man can doubt a moment that reprisals would bring on immediate war; and the Treasury, to the amount of this vote, in addition to all ordinary appropriations, would have been at his absolute disposal also. And all this in a time of peace. I beseech all true lovers of constitutional liberty, to contemplate this state of things, and tell me whether such be a true republican administration of this Government. Whether particular consequences had ensued or not, is such an accumulation of power in the hands of the Executive according to the spirit of our system? Is it either wise or safe? Has it any warrant in the practice of former times? Or are gentlemen ready to establish the practice, as an example for the benefit of those who are to come after us?

But, sir, if the power to make reprisals, and this money from the Treasury, had both been granted, is there not great reason to believe that we should have been now up to our ears in a hot war? I think there is great reason to believe this. It will be said, I know, that if we had armed the President with this power of war, and supplied him with this grant of money, France would have taken this for such a proof of spirit on our part, that she would have paid the indemnity without further delay. This is the old story, and the old plea. Every one who desires more power than the Constitution or the Laws give him, always says, that if he had more power, he could do more good. Power is always claimed for the good of the People; and dictators are always made, when made at all, for the good of the People. For my part, sir, I was content, and am content, to show France that we are prepared to maintain our just rights, against her, by the exertion of our power, when need be, according to the forms of our own Constitution; that, if we make war, we will make it constitutionally; and that we will trust all our interests, both in peace and war, to what the intelligence and the strength of the country may do for them, without breaking down or endangering the fabric of the free institutions.

Mr. President, it is the misfortune of the Senate to have differed with the President on many great questions during the last four or five years. I have regretted this state of things deeply, both on personal and on public account; but it has been unavoidable. It is no pleasant employment, it is no holiday business, to maintain opposition against power and against majorities, and to contend for stern and sturdy principle, against personal popularity, against a rushing and overwhelming confidence, that, by wave upon wave, and cataract after cataract, seems to be bearing away and destroying whatsoever would withstand it. How much longer we may be able to support this opposition in any degree, or whether we can

possibly hold out till the public intelligence and the public patriotism shall be awakened to a due sense of the public danger, it is not for me to foretell. I shall not despair to the last, if, in the mean time, we be true to our own principles. If there be a steadfast adherence to these principles, both here and elsewhere, if, one and all, they continue the rule of our conduct in the Senate, and the rallying point of those who think with us and support us out of the Senate, I am content to hope on, and to struggle on. While it remains a contest for the preservation of the Constitution, for the security of public liberty, for the ascendancy of principles over men, I am willing to bear my part of it. If we can maintain the Constitution, if we can preserve this security for liberty, if we can thus give to true principle its just superiority over party, over persons, over names, our labors will be richly rewarded. If we fail in all this, they are already among the living, who will write the history of this Government, from its commencement to its close.

REMARKS

IN THE SENATE OF THE UNITED STATES, MARCH 16, 1836, ON
PRESENTING SUNDRY ABOLITION PETITIONS.

MR. WEBSTER addressed the Senate as follows:—

AGREEABLY to notice, I offer sundry petitions on the subject of slavery and the slave trade in the District of Columbia. The first purports to be signed by two thousand four hundred and twenty-five of the female inhabitants of Boston.

This petition is in the usual printed form. It is respectful to Congress, and contains no reproaches on any body. It asks for the consideration of Congress, both with respect to the existence of slavery in the District, and with respect to the slave-trade in the District.

The second is a petition, signed by Joseph Filson, and about a hundred others, citizens of Boston, some of whom are known to me, and are highly respectable persons. The petition is to the same effect, and in the same form.

The third petition appears to be signed by a large number of persons, inhabitants of Wayne county, in Michigan. I am not acquainted with them. It is a printed petition, different in form from the preceding, drawn more at length, and going farther into the subject. But I perceive nothing in it disrespectful to the Senate, or reproachful to others.

The fourth petition is like the two first, in substance and in form. It is signed by four hundred and thirty-three citizens of Boston. Among these signors, Sir, I recognize the names of many persons well known to me to be gentlemen of great worth and respectability. There are clergymen, lawyers, merchants, literary men, manufacturers, and indeed persons from all classes of society.

I ask, Sir, that these petitions may be received, and move that they be referred to the Committee for the District of Columbia.

This motion itself, Sir, sufficiently shows in what manner I think this subject ought to be treated in the Senate.

The petitioners ask Congress to consider the propriety and expediency of two things—first, of making provision for the extinction of slavery in the District; second, of abolishing or restraining the trade in slaves within the District. Similar petitions have already

been received. Those gentlemen who think Congress have no power over any part of the subject, if they are clear and settled in that opinion, were perfectly justifiable in voting not to receive them. Any petition, which, in our opinion, asks us to do that which is plainly against the Constitution, we might very justly reject. As, if persons should petition us to pass a law abridging the freedom of the press, or respecting an establishment of religion, such petition would very properly be denied any reception at all.

In doubtful cases, we should incline to receive and consider; because doubtful cases ought not to be decided without consideration.

But I cannot regard this case as a doubtful one. I think the constitutional power of Congress over the subject is clear, and, therefore, that we were bound to receive the petitions. And a large majority of the Senate are also of opinion that the petitions ought to be received.

I have often, Mr. President, expressed the opinion that, over slavery, as it exists in the States, this Government has no control whatever. It is entirely and exclusively a State concern. And while it is thus clear that Congress has no direct power over the subject, it is our duty to take care that the authority of this Government is not brought to bear upon it by any indirect interference whatever. It must be left to the States, to the course of things, and to those causes over which this Government has no control. All this, in my opinion, is in the clear line of our duty.

On the other hand, believing that Congress has constitutional power over slavery, and the trade in slaves, within the District, I think petitions on those subjects, respectfully presented, ought to be respectfully treated, and respectfully considered. The respectful mode, the proper mode, is the ordinary mode. We have a committee on the affairs of the District. For very obvious reasons, and without any reference to this question, this committee is ordinarily composed principally of Southern gentlemen. For many years a member from Virginia or Maryland has, I believe, been at the head of the committee. The committee, therefore, is the appropriate one, and there can be possibly no objection to it, on account of the manner in which it is constituted.

Now, I believe, Sir, that the unanimous opinion of the North is, that Congress has no authority over slavery in the States; and perhaps equally unanimously, that over slavery in the District it has such rightful authority.

Then, Sir, the question is a question of the fitness, propriety, justice, and expediency of considering these two subjects, or either of them, according to the prayer of these petitions.

It is well known to us and the country, that Congress has hitherto entertained inquiries on both these points. On the 9th of January, 1809, the House of Representatives resolved, by very

large majorities, "*That the Committee for the District of Columbia be instructed to take into consideration the laws within the District in respect to slavery; that they inquire into the slave trade as it exists in, and is carried on through, the District; and that they report to the House such amendments to the existing laws as shall seem to them to be just.*"

And it resolved also, "*That the committee be further instructed to inquire into the expediency of providing by law for the gradual abolition of slavery within the District, in such manner that the interest of no individual shall be injured thereby.*"

As early as March, 1816, the same House, on the motion of Mr. Randolph, of Virginia, resolved, "*That a committee be appointed to inquire into the existence of an inhuman and illegal traffic of slaves carried on in and through the District of Columbia, and to report whether any, and what measures are necessary for putting a stop to the same.*"

It is known, also, Sir, that the Legislature of Pennsylvania has within a very few years urged upon Congress the propriety of providing for the abolition of slavery in the District. The House of Assembly of New York, about the same time, I think, passed a similar vote. After these proceedings, Mr. President, which were generally known, I think, the country was not at all prepared to find that these petitions would be objected to, on the ground that they asked for the exercise of an authority on the part of Congress, which Congress cannot constitutionally exercise; or that, having been formally received, the prayer of them, in regard to both objects, would be immediately rejected, without reference to the committee, and without any inquiry.

Now, Sir, the propriety, justice, and fitness of any interference of Congress, for either of the purposes stated in the petitions, are the points on which, as it seems to me, it is highly proper for a committee to make a report. The well-disposed and patriotic among these petitioners are entitled to be respectfully answered; and if there be among them others whose motives are less praiseworthy, it is not the part of prudence to give them the advantage which they would derive from a right of complaint that the Senate had acted hastily or summarily on their petitions, without inquiry or consideration.

Let the committee set forth their own views on these points, dispassionately, fully, and candidly. Let the argument be seen and heard; let the People be trusted with it; and I have no doubt that a fair discussion of the subject will produce its proper effect, both in and out of the Senate.

This, Sir, would have been, and is the course of proceeding, which appears to me to be prudent and just. The Senate, however, having decided otherwise, by a very large majority, I only

say so much, on the present occasion, as may suffice to make my own opinions known.

In reply to Mr. KING, of Alabama,

MR. WEBSTER said, that he was not aware of having said any thing which could justify the remarks of the honorable member. By what authority does the gentleman say (said Mr. W.) that I have placed myself at the head of these petitioners? The gentleman cannot be allowed, Sir, to assign to me any place or any character, which I do not choose to take to myself. I have only expressed my opinion as to the course which it is prudent and wise in us all to adopt, in disposing of these petitions.

It is true that, while the question on the reception of the petitions was pending, I observed that I should hold back these petitions till that question was decided. It is decided. The Senate has decided to receive the petitions; and being received, the manner of treating them necessarily arises. The origin of the authority of Congress over this District, the views and objects of the States in ceding the territory, the little interest which this Government has in the general question of slavery, and the great magnitude which individual States have in it, the great danger, to the Government itself, of agitating the question here, while things remain in their present posture, in the States around us — these, Sir, are considerations all intimately belonging to the question, as I think, and which a competent committee would naturally present to the Senate and to the public.

Mr. President, I feel bound to make one further remark. Whatever gentlemen may think of it, I assure them that these petitions, at least in many cases, have no factious origin, no political or party origin. Such may be the origin of some of them. I am quite sure it is not of all. Many of them arise from a sense of religious duty; and that is a feeling which should be reasoned with, but cannot be suppressed by a mere summary exercise of authority. I wish that all reasonable men may be satisfied with our proceedings; that we may so act in regard to the whole matter as shall promote harmony, strengthen the bonds of our Union, and increase the confidence, both of the North and the South, in this Government.

REMARKS

IN THE SENATE OF THE UNITED STATES, ON THE DEPOSIT
BANKS. MARCH 17, 1836.

MR. WEBSTER rose to move for the printing of 3,000 extra copies of the statement of the affairs of the deposit banks, transmitted by the Secretary of the Treasury.

In making this motion, Mr. Webster called the attention of the Senate to the document from the Treasury, showing the state of the deposit banks at the latest dates. He quoted from the tabular statement some of the leading facts. The immediate liabilities of the banks amounted, it appeared, to nearly seventy-two millions of dollars, viz. the public deposits, \$30,678,879 91; the private deposits, \$15,043,033 64; the bills in circulation, \$26,243,688 36.

The amount of specie held by these banks, it further appeared, was \$10,198,659 24; that is to say, there is less than one dollar specie for six dollars debt; and there is due to the Government by those banks more than three times the amount of all the specie.

There are other items which swell the amounts on each side, such as debts due to banks, and debts due from banks. But these are only equalling quantities, and of no moment in the view I am taking of the question.

Among the means of these deposit banks I see an item of "other investments," of no less amount than \$8,777,228 79. What is meant by these "other investments," I am not informed. I wish for light. I have my suspicions, but I have no proofs. Sir, look at the reported state of the Farmers' and Mechanics' Bank of Michigan, the last in the list. The capital of that bank is only \$150,000. Its portion of the public deposits is no less a sum than \$784,764 75. Now, Sir, *where is this money?* It is not in specie in the bank itself. All its specie is only \$51,011 95; all its discounts, loans, &c., are only \$500,000, or thereabouts; *where is the residue?* Why, we see where it is; it is included in the item "*due from banks*, \$678,766 37." What banks have got this? On what terms do they take it? Do they give interest for it? Is it in the deposit banks in the great cities? and does this make a part of the *other liabilities* of these deposit banks in the cities? Now, this is one question: what are these other liabilities? But, as to these "other investments," I say again, I wish to know

what they are. Besides real estate, loans, discount, and exchange, I beg to know what *other investments* banks usually make.

In my opinion, Sir, the present system now begins to develop itself. We see what a complication of private and pecuniary interests have thus wound themselves around our finances. While the present state of things continues, or as it goes on, there will be no lack of ardor in opposing the Land bill, or any other proposition for distributing or effectually using the public money.

We have certainly arrived at a very extraordinary crisis ; a crisis which we must not trifle with. The accumulation of revenue must be prevented. Every wise politician will set that down as a cardinal maxim. How can it be prevented ? Fortifications will not do it. This I am perfectly persuaded of. I shall vote for every part and parcel of the Fortification bill, reported by the Military Committee. And yet I am sure that, if that bill should pass into a law, it will not absorb the revenue, or sufficiently diminish its amount. Internal improvements cannot absorb it : these useful channels are blocked up by vetoes.

How, then, is this revenue to be disposed of ? I put this question seriously to all those who are inclined to oppose the Land bill now before the Senate.

Sir, look to the future, and see what will be the state of things next autumn. The accumulation of revenue may then probably be near fifty millions ; an amount *equal, perhaps, to the whole amount of specie in the country*. What a state of things is that ! Every dollar in the country the property of Government !

Again, Sir, are gentlemen satisfied with the present condition of the public money in regard to its safety ? Is that condition safe, commendable, and proper ? The member from South Carolina has brought in a bill to regulate these deposit banks. I hope he will call it up, that we may at least have an opportunity of showing, for ourselves, what we think the exigency requires.

REMARKS

IN THE SENATE OF THE UNITED STATES, APRIL 23, 1836, ON THE
FOLLOWING RESOLUTION, SUBMITTED BY MR. BENTON:—

“Resolved, That, from and after the — day of —, in the year 1836, nothing but gold and silver ought to be received in payment for the public lands; and that the Committee on Public Lands be instructed to report a bill accordingly.”

MR. WEBSTER said that he and those who acted with him would be justified in taking no active course in regard to this resolution, in sitting still, suppressing their surprise and astonishment if they could, and letting these schemes and projects take the form of such laws as their projectors might propose.

We are powerless now, and can do nothing. All these measures affecting the currency of the country and the security of the public treasure we have resisted since 1832. We have done so unsuccessfully. We struggled for the re-charter of the Bank of the United States in 1832. The utility of such an institution had been proved by forty years' experience. We struggled against the removal of the deposits. That act, as we thought, was a direct usurpation of power. We strove against the experiment, and all in vain. Our opinions were disregarded, our warnings neglected, and we are now in no degree responsible for the mischiefs which are but too likely to ensue.

Who will look with the perception of an intelligent, and the candor of an honest man, upon the present condition of our finances and currency, and say that this want of credit and confidence which is so general, and which, it is possible, may, ere long, overspread the land with bankruptcies and distress, has not flowed directly from those measures, the adoption of which we so strenuously resisted, and the folly of which men of all parties, however reluctantly, will soon be brought to acknowledge? The truth of this assertion was palpable and resistless.

What, Sir, are the precise evils under which the finances of the Government, and, he believed, of the country now suffer? They are obviously two—the superabundance of the Treasury, and its insecurity. We have more money than we need, and that money,

not being in custody under any law, and being in hands over which we have no control, is threatened with danger. Now, Sir, is it not manifest that these evils flow directly from measures of Government which some of us have zealously resisted? May not each be traced to its distinct source? There would have been no surplus in the Treasury, but for the veto of the land bill, so called, of 1833. This is certain. And as to the security of the public money, it would have been, at this moment, entirely safe, but for the veto of the act continuing the Bank charter. Both these measures had received the sanction of Congress, by clear and large majorities. They were both negatived: the reign of experiments, schemes, and projects commenced, and here we are. Every thing that is now amiss in our financial concerns is the direct consequence of extraordinary exertions of Executive authority. This assertion does not rest on general reasoning. Facts prove it. One veto has deprived the Government of a safe custody for the public moneys, and another veto has caused their present augmentation.

What, Sir, are the evils which are distracting our financial operations? They are obviously two. The public money was not safe; it was protected by no law. The treasury was overflowing. There was more money than we needed. The currency was unsound. Credit had been diminished, and confidence destroyed. And what did these two evils, the insecurity of the public money and its abundance, result from? They referred directly back to the two celebrated experiments; the veto of the bank bill, followed by the removal of the deposits, and the rejection of the land bill. No man doubted that the public money would have remained safe in the Bank of the United States, if the Executive veto of 1832 had not disturbed it.

It was that veto, also, which, by discontinuing the National Bank, removed the great and salutary check to the immoderate issue of paper money, and encouraged the creation of so many State banks. This was another of the products of that veto. This is as plain as that. The rejection of the land bill of 1833, by depriving the country of a proper, necessary, and equal distribution of the surplus fund, had produced this redundancy in the Treasury. If the wisdom of Congress had been trusted, the country would not have been plunged into its present difficulties. They devised the only means by which the peace and prosperity of the People could have been secured. They passed the bank charter: it was negatived. They passed the land bill, and it met the same fate. This extraordinary exercise of power, in these two instances, has produced an exactly corresponding mischief in each case, upon the subjects to which it was applied. Its application to the bill providing for the re-charter of the Bank of the United States has been followed by the present insecurity of the public treasure, and a superabundance

of money not wanted has been the consequence of its application to the land bill.

The country is the victim of schemes, projects, and reckless experiments. We are wiser, or we think ourselves so, than those who have gone before us. Experience cannot teach us. We cannot let well enough alone. The experience of forty years was insufficient to settle the question whether a national bank was useful or not; and forty years' practice of the Government could not decide whether it was constitutional or not. And it is worthy of all consideration, that undue power has been claimed by the Executive. One thing is certain, and that is, there has been a constant and corresponding endeavor to diminish the constitutional power of Congress. The bank charter was negatived, because Congress had no power under the Constitution to grant it; and yet, though Congress had no authority to create a national bank, the Executive at once exercised the power to select and appoint as many banks as he pleased, and to place the public moneys in their hands on just such terms and conditions as he pleased.

There is not a more palpable evidence of the constant bias of this Government to a wrong tendency, than this continued attempt to make legislative power yield to that of the Executive. The restriction of the just authority of Congress is followed in every case by the increase of the power of the Executive. What was it that caused the destruction of the United States Bank, and put the whole moneyed power of the country into the hands of one man? Constitutional doubts of the power of Congress! What has produced this superabundance of money in the treasury? Constitutional doubts of the power of Congress! In the whole history of this Administration, doctrines had obtained, whose direct tendency was to detract from the settled and long-practised power of Congress, and to give, in full measure, hand over hand, every thing into the control of the Executive. Did gentlemen wish him to exemplify the truth of this? Let them look at the bank bill, the land bill, and the various bills which have been negatived respecting internal improvements.

Gentlemen now speak of returning to a specie basis. Did any man suppose it practicable? The resolution, now under consideration, contemplated that, after the current year, all payments for the public lands were to be made in specie. Now, if he (Mr. W.) had brought forward a proposition like this, he would at once have been accused of being opposed to the settlement of the new States. It would have been urged that speculators and capitalists could easily carry gold and silver to the West, by sea or land, while the cultivator, who wished to purchase a small farm, would be compelled to give the former his own price for the land, because he could visit large cities, or other places where it was to be found, and procure

the specie. These arguments would have met him, he was sure, had he introduced a measure like this. If specie payments were to be made for public dues, he should suppose it best to begin with the customs, which were payable in large cities, where gold and silver could be more easily procured than on the frontiers. But whether from speculators, or settlers, what was the use of these specie payments? The money was dragged over the mountains to be dragged back again: that was all. The purchaser of public lands would buy gold by bills on the Eastern cities: it would go across the country in panniers or wagons: the Land Office would send it back again by the return carriage, and thus create the useless expense of transportation.

He had from the very first looked upon all these schemes as totally idle and illusory; not in accordance with the practice of other nations, or suited to our own policy, or our own active condition. But the effect of this resolution—what would it be? Let them try it. Let them go on. Let them add to the catalogue of projects. Let them cause every man in the West, who has a five dollar bank note in his pocket, to set off, post haste, to the bank, lest somebody else should get there before, and get out all the money, and then buy land. How long would the Western banks stand this? Yet, if gentlemen please, let them go on. I shall dissent; I shall protest; I shall speak my opinions; but I shall still say, Go on, gentlemen, and let us see the upshot of your experimental policy.

The currency of the country was, to a great degree, in the power of all the banking companies in the great cities. He was as much opposed to the increase of these institutions; but the evil had begun, and could not be resisted. What one State does, another will do also. Danger and misfortunes appear to be threatening the currency of the country; and although the Constitution gives the control over it to Congress, yet Congress is allowed to do nothing. Congress, and not the States, had the coining power; yet the States issue paper as a substitute for coin, and Congress is not supposed to be able to regulate, control, or redeem it. We have the sole power over the currency; but we possess no means of exercising that power. Congress can create no bank, regulated by law, but the Executive can appoint twenty or fifty banks, without any law whatever. A very peculiar state of things exists in this country at this moment—a country in the highest state of prosperity; more bountifully blest by Providence in all things than any other nation on earth, and yet in the midst of great pecuniary distress, its finances deranged, and an increasing want of confidence felt in its circulation. But the experiment was to cure all this. A few select and favorite banks were to give us a secure currency, one better and more practically beneficial than that of the United States Bank. And

here is the result, or, rather, to use the expression of Monsieur Talleyrand, here is "the beginning of the end."

We were told that these banks would do as well, if not a great deal better, for all the purposes of exchange, than the United States Bank; that they could negotiate as cheaply and with as much safety; and yet the rate is now one and a half, if not two per cent. between Cincinnati and New York. Indeed, exchanges are all deranged, and in confusion. Sometimes they are at high rates, both ways, between two points. Looking, then, to the state of the currency, the insecurity of the public money, and the rates of exchange, let me ask any honest and intelligent man, of whatever party, what has been the result of these experiments? Does any gentleman still doubt? Let him look to the disclosures made by the circular of one of the deposit banks of Ohio, which was read by an honorable Senator here a day or two since. That bank would not receive the notes of the specie-paying banks of that State from the Land Office, as I understand the circular, or, at any rate, it tells the Land Office that it will not. Here are thirty or forty specie-paying banks in Ohio, all of good credit, and out of the whole number three were to be selected, entitled to no more confidence than the others, whose notes were to be taken for public lands. If gentlemen from the West and South-west are satisfied with this arrangement, I certainly commend greatly their quiescent temperament.

As he said in the commencement of his remarks, he knew of nothing he could do in regard to the resolution, except to sit still and see how far gentlemen would go, and what this state of things would end in. Here was this vast surplus revenue under no control whatever, and, from appearances, though the session was nearly over, likely to remain so. Two measures of the highest importance had been proposed — one to diminish this fund; another to secure its safety. He wished to understand, and the country to know, whether any thing was to be done with either of these propositions. For his own part, he believed that a national bank was the only security for the national treasure; but, as there was no such institution, a more extended use should be made of this treasure, and in its distribution no preference should be given, as was the fact in the instance of the banks of Ohio, to which he had just alluded. In some way or other this fund must be distributed. It is absolutely necessary. The provisions of the land bill seemed to him eminently calculated to effect this object; but if that measure should not be adopted, he would give his vote to any proper and equitable measure which might be brought forward, let it come from what quarter it might. In all probability, there would be a diminution in the amount of land sales for some time to come. The purchases of the last year, he supposed, had exceeded the demands of emigra-

tion. They were made by speculators for the purpose of holding up lands for increased prices. The spirit of speculation, indeed, seemed to be very much directed to the acquisition of the public lands. He could not say what would be the further progress, or where the end, of these things; but he thought one thing quite clear, and that was, that the existing surplus ought to be distributed.

He repeated, that he intended no detailed opposition to the measure now before the Senate; and had he been in his seat, he should not have opposed the amendment to the pension bill. Let the experiments, one and all, have their course. He should do nothing except to vote against all these visionary projects, until the country should become convinced that a sound currency, and with it a general security for property, and the earnings of honest labor, were things of too much importance to be sacrificed to mere projects, whether political or financial.

After remarks by Mr. NILES of Connecticut, and Mr. BENTON of Missouri,

Mr. WEBSTER said the gentleman from Missouri had referred to the resolution of 1816; and he would beg leave to make a brief explanation in reference to the part he bore in it. The events of the war had greatly deranged the currency of the country, and a great pecuniary pressure was felt from one end of the continent to the other. The war took place in 1812, and not two months of it had passed before there was a cessation of specie payments by at least two thirds of all the banks of the country. So strong was the pressure, that although the enemy blockaded the Chesapeake, so that not a barrel of pork or flour could be sent to market, yet the prices of these articles rose fifty per cent. This state of things continued; the collectors of the customs every where received the notes of their own local banks for duties payable at their own places, but would not receive the bills of the banks of the other cities. And what was the consequence? Why, at the close of the session of Congress, a member, if he had been fortunate enough to preserve any of his pay, had to give twenty-five per cent. to get the money received here exchanged for money that he could carry home. Another effect of this state of the currency was this — the Constitution provided that, in the regulation of commerce or revenue, no preference should be given to the ports of one State over those of another. Yet Baltimore, for instance, which had the exchange against her, had an advantage, by the payment of her duties in the bills of her banks, and had the advantage of at least twenty-five per cent. over some Northern cities. The resolution then introduced by him was to provide that the revenue should be equally paid in all parts of the United States; and what was the effect of it? The bank bill had just passed, and the resolution was, that all debts due

the Government should be paid in the legal coin, in notes of the Bank of the United States, or in notes of banks that paid coin on demand. That was the operation of the law of 1816, rendered absolutely necessary by the existing state of things.

The gentleman from Connecticut inquired whether the omission to use the powers of Congress necessarily increased that of the Executive. He would put a poser to the gentleman. The President himself admitted that it was the appropriate duty of Congress to take the public treasure into its hands, and appoint agents to take care of it. The gentleman himself must admit this, for he supposed that he did not go the lengths of the Senator from Tennessee in being willing that things should remain as they were. Then, if it was their duty to take care of the national treasure, and they did not do it, it would go into the hands of the Executive. Was not the custody of the national treasure power? and if they neglected to use this power, did they not augment the power of the Executive?

Nothing could be more appropriate for a historian, than to review the doctrines which had been advanced with regard to Executive power, and the means by which it was sought to increase it. The President himself first advanced the doctrine, and it had been repeated there, that the President of the United States was the sole representative of the People of the United States. Did the Constitution make him so? Did the Constitution acknowledge any other representative of the People than the members of the other House? But it had been found extremely convenient to those who wished to increase the President's power to give him this title. This claim of the President reminded him of a remark he heard made many years ago by a member of the House of Representatives. That gentleman had voted against the first Bank of the United States, and had changed his mind, and was about to vote for the second. If, said the gentleman, the People have given us the power to make a bank, we can do it; and if they have not, we are the representatives of the People, and can take the power. And this was the doctrine applied to the President as the peculiar representative of the People. The Constitution gave him a modicum of power, and he, claiming the lion's part, took all the rest. This was the result of that overwhelming personal popularity which led men to disregard all the ancient maxims of the founders of this Government, and to yield up all power into the hands of one man. They could not now even quote the doctrines of Mr. Jefferson without being scouted, and they could not resist any power claimed by the Executive, however arbitrary, but must yield up every thing to him by one universal confidence, because he was the representative of the People.

After further remarks by Mr. NILES,

Mr. WEBSTER observed that it was the best course, when a gentleman replied to another, to use his very words as far as his recollection permitted him. He had noticed, on other occasions, that the Senator from Connecticut gave his own language as that of the gentleman he was replying to, put his own construction upon it, and then replied to this man of straw. He hoped that the gentleman would, when he quoted him in future, use his exact language, and not put into his mouth words that he did not use. The gentleman, in speaking of the President, used the term representative of the People, precisely in the meaning of the term as applied to a member of the House of Representatives. Now, it was impossible to believe in any idea of power pertaining to the President in this character. But he would remind the Senator that the President himself in more than one communication had claimed this character and power. It would be found in the protest that he is the only single representative of the People. Sir, this is the very essence of consolidation, and in the worst of hands. Do we not all know that the People have not one representative? Do we not know that the States are divided into congressional districts, each of which elects a representative, and that the States themselves are represented by two members on that floor? Do we not all know that it was carefully avoided by the framers of the Constitution to give him any such power at all? He admitted that the President, in reference to his popularity merely, was called, with great propriety, the representative of the People; but in other respects, he was no more so than was the President of the old Congress. There was another false doctrine that was worth noticing, and that was, that every thing that had been done by the President had been approved of by the People, because they reelected him.

REMARKS

IN THE SENATE OF THE UNITED STATES, ON THE BILL TO AUTHORIZE THE PURCHASE, ON THE PART OF THE UNITED STATES, OF THE PRIVATE STOCK IN THE LOUISVILLE AND PORTLAND CANAL. MAY 25, 1836.

MR. WEBSTER addressed the Senate as follows:—

MR. PRESIDENT: I regret the warmth with which my friend from Ohio, (Mr. EWING,) and my friend from Louisiana, (Mr. PORTER,) have spoken on this occasion. But while I regret it, I can hardly say I blame it. They have expressed disappointment, and, I think, they may well feel disappointment. I confess, Sir, I feel disappointment, also. Looking to the magnitude of this object; looking to its highly interesting character to the West; looking to the great concern which our Western friends have manifested for its success, I feel, myself, not only disappointment, but, in some degree, mortification at the result of the vote which has now been taken. That vote, if it stands, must be decisive of the success of the measure.

No doubt, Sir, it is altogether vain to pass this bill, unless it contain such provisions as will induce the stockholders in the corporation to part with their interests.

In the first place, Sir, why do we hear so much reproach and denunciation against the members of this corporation? Have they not hazarded their property in an undertaking of great importance and utility to the country? Has not Congress itself encouraged their enterprise, by taking a part of the stock on account of the Government? Are we not ourselves shareholders in this company? Their tolls, it is said, are large; that is true; but, then, not only did they run all the risks usually attending such enterprises, but, even with their large tolls, all their receipts, up to this hour, by no means give an increase on their capital equal to the ordinary interest of money in that part of the country.

There appears to me very great injustice in speaking of their tolls as “fines” and “penalties,” and unjust impositions; or of their charter, as an odious monopoly. Who called it so, or who so thought of it, when it was granted to them? Who, but they, were willing to undertake the work—to advance the money, and to run the

risks and chances of failure? Who then blamed, reproached, or denounced the enterprising individuals who hazarded their money in a project to make a canal round the falls of the Ohio? Who then spoke of their tolls as impositions, fines, and penalties? Nobody, Sir. Then, all was encouragement and cheering onward. The cry was then, Go on, run the hazard, try the experiment, let our vessels and boats have a passage round this obstruction; make an effort to overcome this great obstacle. If you fail, the loss, indeed, will be yours; but if you succeed, all the world will agree that you ought to be fairly and fully remunerated for the risk and expenditure of capital.

Sir, we are bound in all justice and fairness to respect the legal rights of these corporators. For one, I not only respect their legal rights, but I honor their enterprise, I commend their perseverance, and I think they deserve well of the community.

But, nevertheless, Sir, I am for making this navigation free. If there were no canal, I should be for making one, or for other modes of removing the obstructions in the river. As there is a canal, now the subject of private ownership and private property, I am for buying it out, and opening it, toll free, to all who navigate the river. In my opinion, this work is of importance enough to demand the attention of Government. To be sure it is but a canal, and a canal round the falls of a river; but that river is the Ohio. It is one of those vast streams which form a part of the great water communication of the West. It is one of those running seas which bear on their bosom the riches of Western commerce. It is a river; but, to the uses of man, to the purposes of trade, to the great objects of communication, it is one of those rivers which has the character of an ocean. Indeed, when one looks at the map, and glances his eye on all these rivers, he sees at once water enough to constitute or to fill an ocean, pouring from different, distant, and numerous sources, and flowing many thousand miles, in various channels, with breadth and depth of water in each, sufficient for all the purposes of rapid communication and extensive trade. And if, in any portion of these inland seas, we find obstructions which the hand of man can remove, who can say that such removal is not an object worthy all the attention of Government?

Whoever, Mr. President, would do his duty, and his whole duty, in the councils of this Government, must look upon the country as it is, in its whole length and breadth. He must comprehend it in its vast extent, its novel character, its sudden development, its amazing progress, confounding all calculation, and almost overwhelming the imagination. Our rivers are not the rivers of the European world. We have not to deal with the Trent, the Thames, and the Severn. With us, at least in this part of our country, navigation from the sea does not stop where the tide stops. Our

ports and harbors are not at the mouths of rivers only, or at the head of the tides of the sea. Hundreds of miles, nay, thousands of miles, beyond the point where the tides of the ocean are felt, deep waters spread out, and capacious harbors open themselves, to the reception of a vast and increasing navigation.

To be sure, Sir, this is a work of internal improvement; but it is not, on that account, either the less constitutional, or the less important. Sir, I have taken a part in this great struggle for internal improvement from the beginning, and I shall hold out to the end. Whoever may follow, or whoever may fly, I shall go straight forward for all those constitutional powers, and for all that liberal policy, which I have heretofore supported.

I remember, Sir, and, indeed, a very short memory might retain the recollection, when the first appropriations for harbors on the great lakes were carried through this body, not without the utmost difficulty, and against the most determined opposition. I remember when Lake Ontario, Lake Erie, and Lake Michigan were likely to be condemned to a continuance in the state in which Nature and the Indian tribes had left them, with no proof upon their shores of the policy of a civilized state, no harbors for the shelter of a hundred vessels, no light-house even to point out to the inland mariner the dangers of his course. I remember even when the harbor of Buffalo was looked upon as a thing either unimportant in itself, or, if not unimportant, yet shut out from the care and the aid of Congress by a constitutional interdiction of works of internal improvement. But, Sir, in this case, as in others, the doctrine of internal improvement has established itself by its own necessity, its own obvious and confessed utility, and the benefits which it has already so widely conferred. So it will be, I have no doubt, in the case before us. We shall wonder hereafter who could doubt the propriety of setting free the navigation of the Ohio, and shall wonder that it was delayed even so long.

Mr. President, on the question of constitutional power, I entertain not a particle of doubt. How is it, let me ask, that we appropriate money for harbors, piers, and breakwaters on the sea-coast? Where do we find power for this? Certainly no where, where we cannot find equal power to pass this bill. The same clause covers such appropriations, inland as well as on the sea-coast, or else it covers neither. We have foreign commerce, and we have internal commerce; and the power, and the duty, also, of regulating, protecting, aiding, and fostering both is given in the same words. For one, therefore, Sir, I look to the magnitude of the object, and not to its locality. I ask not whether it be east or west of the mountains. There are no Alleghanies in my politics.

I care not whether it be an improvement on the shore of the sea, or on the shore of one of these mighty rivers, so much like a sea,

which flow through our vast interior. It is enough for me to know that the object is a good one, an important one, within the scope of our powers, and called for by the fair claims of our commerce. So that it be in the Union, so that it be within the twenty-four States, or the twenty-six States, it cannot be too remote for me. This feeling, Sir, so natural, as I think, to true patriotism, is the dictate also of enlightened self-interest. Were I to look only to the benefits of my own immediate constituents, I should still support this measure. Is not *our* commerce floating on these Western rivers? Are not *our* manufactures ascending them all, by day and by night, by the power of steam, incessantly impelling a thousand engines, and forcing upwards, against their currents, hundreds of thousands of tons of freight? If these cargoes be lost, if they be injured, if their progress be delayed, if the expense of their transportation be increased, who does not see that all interested in them become sufferers? Who does not see that every producer, every manufacturer, every trader, every laborer, has an interest in these improvements? Surely, Sir, this is one of the cases in which the interest of the whole is the interest of each. Every man has his dividend out of this augmented public advantage. But if it were not so, if the effect were more local, if the work were useful to the Western States alone, or useful mainly to Kentucky and Indiana alone, still I should think it a case fairly within our power, and important enough to demand our attention.

But, Mr. President, I felt the more pain at the result of the last vote of the Senate on account of those Western gentlemen, who are so much interested in this measure, and who have uniformly supported appropriations for other parts of the country, which, though just and proper, are, as it seems to me, no more just or proper than this.

These friends have stood by us. They have uniformly been found at our side, in the contest about internal improvement. They have upheld that policy, and have gone with us through good report and evil report. And I now tell them that I shall stand by them. I shall be found where they look for me. I have asked their votes, once and again, for objects important to the Atlantic States. They have liberally given those votes. They have acted like enlightened and wise statesmen. I have duly estimated the high justice and liberality of their conduct. And having now an object interesting to them, and to their constituents, a just object, and a great object, they have a right to find me at their side, acting with them, acting according to my own principles, and proving my own consistency. And so they shall find me; and so they do find me. On this occasion I am with them; I am one of them. I am as Western a man, on this bill, as he among them who is most Western. This chair must change its occupant, another voice will address the Senate

from this seat, before an object of this nature, so important, so constitutional, so expedient, so highly desirable to a great portion of the country, and so useful to the whole, shall fail for the want, here, either of a decisive vote in its support, or an earnest recommendation of it to the support of others.

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SPEECH

IN THE SENATE OF THE UNITED STATES, ON INTRODUCING THE
PROPOSITION FOR THE DISTRIBUTION OF THE SURPLUS REV-
ENUE. MAY 31, 1836.

MR. PRESIDENT: I have no desire to make myself responsible, in any special manner, for what may either be done or omitted, on this subject. It is surrounded with difficulties, some of them, as I think, unnecessarily created; and as these have been produced by measures in which I did not concur, it naturally belongs to others, who did concur in those measures, and who now possess the power, to apply the remedy according to their judgments, and on their own responsibility. But I incline, nevertheless, to express my opinions on a subject of such very high interest, and to let them have what weight they are entitled to, if it may be supposed that they are entitled to any weight at all.

On one point, I presume, we are all agreed, and that is, that the subject is of great importance. It affects the finances of the country, the security of the public money, and the state of the currency; and it affects, also, the practical and actual distribution of power among the several branches of the Government.

The bill comprises provisions for two objects:

First, regulations for the custody of the public money, between the time of its collection and the time of its disbursement; and, as naturally connected with this, it contemplates, or must at least very materially affect, the currency of the country, the exchanges, and the usual operations of credit in the commercial world.

The second direct object of the bill is, a reduction, positive or contingent, of the amount of money in the Treasury.

It seems probable, Sir, the bill, so far as it respects the first of these objects, may be so modified as to receive the approbation of a majority of the Senate. A committee acting in a spirit of conciliation, and with an honest desire to avoid the points of former difference, might, I think, agree on the regulations to be prescribed to the deposit banks. The sentiments which have been advanced in the course of the discussion do not appear to be irreconcilable. In the present state of things, I see no way but to employ State banks as depositories of the public money; and I have a sincere desire to subject them to such regulations, and such only, as shall

make them, in the highest practicable degree, safe to the Government and useful to the country.

To this end, I am of opinion that the first step is, to increase their numbers. At present their number, especially in the large cities, is too small. They have too large sums in deposit, in proportion to their capital and their legal limits of discount. By this means the public money is locked up. It is hoarded. It is withdrawn, to a considerable extent, from the general mass of commercial means, and is suffered to accumulate, with no possible benefit to Government, and with great inconvenience and injury to the general business of the country. On this point there seems little diversity of opinion. All appear to agree that the number of deposit banks should be so far increased, that each may regard that portion of the public treasure which it may receive, as an increase of its effective deposits, to be used, like other moneys in deposit, as a basis of discount, to a just and proper extent.

I regard this modification of the present system as indispensable.

I think, too, that, for the use of these deposits, the banks should pay a moderate interest. They can well afford it. The best banks in the States will be ready, I do not doubt, to receive the deposits, on that condition among others. What the rate of interest should be, depends very much on what we may do with the surplus revenue. If we leave that surplus undistributed, the banks ought to pay a large interest. If we provide for distributing the surplus, thus leaving but a small amount in the banks, and making it their duty, at the same time, to transfer the public funds from place to place when requested, without charge, the rate of interest should of course be less.

I agree, too, to what has been suggested, respecting the authority to change those banks. They ought not to be changed, but for plain and specific cause, set down and provided for in the law itself. Any restriction less than this, will place a discretion in the hands of the Executive, which will be very capable of being abused.

Nor should the Secretary be at liberty to order funds from one bank to another, for any other reason than the exigencies of the public service. He should not be at liberty to use the public treasures for the purpose of upholding the credit, or increasing the means, of any State institution.

The bill proposes that all the deposit banks shall be bound to keep, at all times, an amount of specie in their vaults bearing a certain proportion to their debts and liabilities. I approve of this, not so much from any belief that the solidity of the banks can be secured by any such provisions, as because a regulation of this kind may tend, in some measure, to retain a certain quantity of specie in the country, and by that means to secure, in some small degree, the

general circulation against violent shocks. But I do not attach great importance to this.

In my opinion, Mr. President, if the bill pass with these modifications, a considerable benefit will be conferred on the community. Confidence will be, in some measure at least, restored; the banks will possess the power of useful action, and the distressing uncertainty which now hangs over every thing being dispelled, the commercial community will find its way out of its present embarrassment.

Still, Sir, I am bound to say that the present system, in my opinion, can never be perfect. It can never be the best system. It can never be a safe regulator of the currency of the country, nor furnish solid security against derangement. It can never give to the mercantile world the cheapest, safest, and best means of facilitating domestic exchanges. The State banks were not made for these general purposes; they are not fitted for them; they have not the unity and comprehensiveness of plan and of operation which the successful accomplishment of such purposes requires. They are subject to various limitations by their charters, and it may even be doubtful, in some cases, whether they can legally bind themselves in such stipulations and contracts as we propose to submit to them. They were established for local, not for general objects. They did not expect to receive Government deposits; and it might possibly be thought important to their stockholders and customers to be informed whether, in case of failure or insolvency, the *priority* of the United States would prevail, as in other cases, to the postponement of all other debts and claims. It is certainly my opinion, Sir, that we are running great hazards with the currency of the country. I see no well-assured reliance for its safety in this system of deposit banks, regulated as well as they may be. Nevertheless, regulation is necessary, nay, it is indispensable; and some present benefit at least would arise, I am persuaded, from the passage of a proper law.

I come now, Sir, to the other important object of this bill — *the reduction of the amount of money in the Treasury.*

And here the first question is, whether there will be any surplus revenue. Will there be any thing to divide at the end of this year? On this point opinions are not agreed, but I think there will be a surplus, and a large surplus. I do not see any probability either of such a falling off of income, on the one hand, or such an increase of expenditure on the other, as shall leave the Treasury exhausted at the end of this year. I speak of this year only, because the measure which I shall propose will be limited to the end of this year. My plan is to provide for the surplus which may be on hand at the end of this year, and to stop there. As to the probable state

of the Treasury at that time, I agree it is matter of opinion and estimate; but we know what sum is on hand now, and we are drawing the session to a close, when appropriations will cease; and the year itself is already half expired. It would seem, then, that we ought to be able to judge of the state of the Treasury six months hence, without risk of great and wide mistake. I proceed on the following general estimate and calculation:

January 1, 1836. Amount of money in the Treasury,	\$ 25,000,000
Deduct unexpended balances of appropriations,	8,000,000
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	\$ 17,000,000
Revenue of the first quarter of 1836,	11,000,000
Estimate for the three last quarters of 1836,	25,000,000
Stock in late Bank of the United States, including premium,	8,000,000
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	\$ 61,000,000
Appropriations in 1836, estimated at	\$ 35,000,000
Deduct what will remain as unexpended balance at the end of the year,	14,000,000
	<hr/>
	21,000,000
	<hr/>
	\$ 40,000,000

This estimate, Sir, does not rest solely on my own judgment. I find others acquainted with the subject, and competent to judge, coming to conclusions not far different from my own. It is true this rests in opinion. It cannot be mathematically proved that we shall have a surplus in the Treasury at the end of the year; but the practical question is, whether that result is not so highly probable that it is our duty to make some provision for it, and to make that provision now. I propose only to divide the surplus. If it shall happen, after all, that there shall be no surplus, then the measure will have done no harm. But if the surplus shall not be forty millions, but only thirty-five, thirty, twenty-five, or even twenty, still, if it be now probable that it will reach even the lowest of these sums, is it not our duty to provide for it?

This is a contingent measure, not a positive one. It is intended to apply to a case, in my judgment, very likely to arise; indeed, I may say a case which, in all probability, will arise; but if it should not, then the proposed measure will have no operation.

I have already observed that, in my opinion, the measure should be limited to one single division — one distribution of the surplus money in the Treasury. In that respect, my proposition differs

from the bill of the honorable member from Carolina, and it differs, too, from the amendment proposed by the member from New York. I think it safest to treat the present state of things as extraordinary, as being the result of accidental causes, or causes, the recurrence of which, hereafter, we cannot calculate upon with certainty.

There would be insuperable objections, in my opinion, to a settled practice of distributing revenue among the States. It would be a strange operation of things, and its effects on our system of government might well be feared. I cannot reconcile myself to the spectacle of the States receiving their revenues, their means even of supporting their own Governments, from the Treasury of the United States. If, indeed, the land bill could pass, and we could act on the policy, which I think the true policy, of regarding the public lands as a fund, belonging to the People of all the States, I should cheerfully concur in that policy, and be willing to make an annual distribution of the proceeds of the lands, for some years at least. But if we cannot separate the proceeds of the lands from other revenue, if all must go into the Treasury together, and there remain together, then I have no hesitation in declaring, now, that the income from customs *must be reduced*. It must be reduced, even at the hazard of injury to some branches of manufacturing industry; because this, in my opinion, would be a less evil than that extraordinary and dangerous state of things, in which the United States should be found laying and collecting taxes, for the purpose of distributing them, when collected, among the States of the Union.

I do not think it difficult to account for the present overflowing condition of the Treasury. The Treasury enjoys two sources of income — the custom-house and the public lands. The income from the customs has been large, because the commerce of the country has been greatly extended, and its prosperity has been remarkable. The exports of the country have continued to increase. While the cotton crop has grown larger and larger from year to year, the price of cotton has still kept up. Notwithstanding all the apprehensions entertained by prudent and sagacious men to the contrary, the world has not become overstocked with this article. The increase of consumption seems to keep pace with the increase of supply. The consequence is, a vast and increasing export by us, and an import corresponding with this export, and with the amount of earnings in the carrying trade; since the general rule undoubtedly is, taking a number of years together, that the amount of imports, and the earnings of freights, are about equal to the amount of exports. The cotton-fields of the South most unquestionably form a great part of the basis of our commerce, and the earnings of our navigation another.

The honorable member from South Carolina has referred to the tariff act of 1828, as the true cause of the swollen state of the Treas-

ury. I agree that there were many things in the act of 1823 unnecessarily put there. But we know they were not put there by the friends of the act. That act is a remarkable instance, I hope never to be repeated, of unnatural, violent, angry legislation. Those who introduced it designed, originally, nothing more than to meet the new condition of things which had been brought about by the altered policy of Great Britain in relation to taxes on wool. A bill with the same end in view had passed the House of Representatives in 1827, but was lost in the Senate. The act of 1828, however, objectionable though it certainly was in many respects, has not been, in my opinion, the chief cause of the over-product of the customs. I think the act of 1832, confirmed by the act of 1833, commonly called the compromise act, has had much more to do in producing that result. Up to the time of the passing of the act of 1832, the *minimum principle* had been preserved in laying duties on certain manufactures, especially woollen cloths. This ill-understood and much-reviled principle appears to me, nevertheless, and always has appeared to me, to be a just, proper, effectual, and strictly philosophical mode of laying protecting duties. It is exactly conformable, as I think, with the soundest and most accurate principles of political economy. It is, in the most rigid sense, what all such enactments, so far as practicable, should be; that is to say, a mode of laying *specific duty*. It lays the impost exactly where it will do good, and leaves the rest free. It is an intelligent, discerning, discriminating principle; not a blind, headlong, generalizing, uncalculating operation. Simplicity, undoubtedly, is a great beauty in acts of legislation, as well as in the works of art; but in both it must be a simplicity, the result of congruity of parts, and adaptation to the end designed; not a rude generalization, which either leaves the particular object unaccomplished, or, in accomplishing it, accomplishes a dozen others also, which were not desired. It is a simplicity which is wrought out by knowledge and skill; not the rough product of an undistinguishing, sweeping, general principle.

Let us suppose that the gradations in woollen cloths be represented by a line. At one end of this line are those of the highest price, and let the scale descend to the other end, where, of course, will be those of the lowest price. Now, with the two ends of this line our manufacturers have not much to do; that is to say, they have not much to do with the production of the very highest, or the very lowest, of these articles. Generally speaking, they work in the intermediate space. It was along this space, along this part of the line of work, that the minimum principle, as it has been usually called, operated. It struck just where the great object of protection required it to strike, and it struck nowhere else. All the rest it left free. It wasted no power. It accomplished its object by the least possible expenditure of means. Its aim was levelled at a distinct

and well-discerned object, and its aim was exact, and the object was reached.

But the *minimum* had become the subject of obloquy and reproach. It was railed at, even, in good set terms, by some who professed to be, and who doubtless were, friends of the protecting policy. It was declared to be deception. It was said that it cheated the People, inasmuch as under its operation they did not see what amount of taxes they really paid. For one, I did not admit the fact, nor yield to the argument. I had no doubt the People knew what taxes they paid under the operation of the laws, as well as we who passed the laws; and whether they stopped to make precise calculations or not, if they found the tax neither oppressive nor heavy, and the effect of the law decidedly salutary, I did not believe they would complain of it, unless it was made a part of some other controversy. The *minimum* principle, however, in its application to broadcloths, was overthrown by the law of 1832, and that law, as it came from the House of Representatives, and as it finally passed, substituted a general and universal *ad valorem* duty of fifty per cent. An effort was made in the Senate to resist this general *ad valorem* system, and to hold on to the specific duty. But it did not prevail. The Senate was nearly evenly divided. The casting or turning vote was held by a gentleman, a friend for whom I always entertain very high regard, a member from Maryland, not now in the Senate. After the discussion, he admitted himself *almost* satisfied that the law, in this particular, ought not to be altered; but his impression against the *minimum*, nevertheless, finally prevailed, and he voted for the new mode, that is to say, the general *ad valorem* mode of laying the duty; and, to render this effectual, he himself proposed to carry that duty as high as sixty per cent. The Senate fixed it, indeed, at fifty-seven *per cent.*; but the House non-concurred, and the law finally passed, as all know, establishing an *ad valorem* duty of fifty per cent. on woollen cloths, &c.

Now, Mr. President, when we recollect that the duties on woollen fabrics, of all kinds, bring into the Treasury four, or five, or six millions a year, every man acquainted with our manufactures must see at once that a portion of this vast sum is perfectly useless as a protecting duty; because it is imposed on fabrics with which our own manufacturers maintain no competition, and in regard to which, therefore, they ask no protection. I have instituted sundry inquiries for the purpose of learning, and of showing, what is the amount of duties collected annually on woollens, which have no distinct bearing, as protecting duties, on any of the products of our manufactures. At present I will only say, and will say that with great confidence, that of the surplus money now in the Treasury, several millions are the proceeds of *ad valorem* duties, which have conferred

no perceptible benefit whatever on our manufacturing establishments. It is, therefore, Sir, that I regard the law of 1832, and not the law of 1828, as the great error in our legislation. This law of 1832 was confirmed by the act of 1833, and is, of course, in actual operation at the present moment, except so far as it has become affected by the gradual reduction provided for by the last-mentioned act. I wish not to discuss the act of 1833. I do not propose, at present, to disturb its operation; but having alluded to it, I take the occasion of saying that I have not the least idea that that act can remain as the settled system of this country. When the honorable member from Kentucky introduced it, he called it a measure of conciliation, and expressed the hope that if the manufacturing interests should be found to suffer under it, it might be modified by general consent. Although never concurring in the act, I entertain the same hope. I pray most fervently that former strifes and controversies on the tariff question may never be revived; but at the same time it is my opinion that the principles established by the law of 1833 can never form the commercial system of this country.

But, Mr. President, the most striking increase in the public revenue is in that branch of it which is derived from the sales of the public lands. How happens it that the proceeds from this quarter have sprung up, thus suddenly, to such a height? The Secretary's estimate of the proceeds of the sales of the public lands for this year was only four millions. The actual sales are likely to be twenty. What has occasioned this great and unexpected augmentation?

Sir, we are to remember that the growth and prosperity of the country, generally, are remarkable, and that, as these increase, the western tide, both of people and property, increases also. The reflow of this property is into the Treasury through the land-offices.

The well-sustained demand for cotton has, of course, augmented the demand for cotton lands; and we all know that good lands, for the production of that crop, are sought for with great eagerness. We are to include, too, the great expansion of the paper circulation among the causes tending to produce heavy purchases; and the amount of foreign capital that has found its way, through one channel or another, into the country, and is giving an additional stimulus, and additional facility to enterprises, both public and private. Many of the States have contracted large debts, for purposes of improvement, and these stocks have gone abroad. I suppose there may be fifty millions of State securities now owned in Europe. Foreign capital, also, has been introduced, to a great extent of late, as the basis of commercial enterprise—a thing ordinarily to be expected, when we look to the low rates of interest abroad, and the great demand for money at home. It would be hazardous to estimate proportions and amounts on such a subject; but it is certain

that a large amount of property now afloat, in ships and goods, owned by Americans, and sailing and transported on American account, is put into commercial operation by means of foreign capital actually advanced, or acting through the agency of credit. This introduction of foreign capital, in all the various forms, has doubtless had some effect in extending our paper circulation, and in raising prices ; and certainly it has had a direct effect upon the ability of making investments in the public lands.

And, Sir, closely connected with these causes is another, which I should consider, after all, the main cause ; that is, the low price of land, compared with other descriptions of property. In every thing else prices have run up ; but here price is chained down by the statute. Goods, products of all kinds, and indeed all other lands, may rise, and many of them have risen, some twenty-five, and some forty or fifty per cent. ; but Government lands remain at a dollar and twenty-five cents an acre ; and vast portions of this land are equal, in natural fertility, to any part of the globe. There is nothing, on either continent, to surpass their quality. The Government land, therefore, at the present prices, and at the present moment, is the cheapest safe object of investment. The sagacity of capital has found this out, and it grasps the opportunity. Purchase, it is true, has gone ahead of emigration ; but emigration follows it, in near pursuit, and spreads its thousands and its tens of thousands close on the heels of the surveyor and the land-hunter. When I traversed a part of the Western States, three years ago, I could not but ask myself, in the midst of the vast forests around me, Where are the people to come from who are to begin cultivation here, and to checker this wilderness with fields of wheat ? But, when returning on the Cumberland road, or while passing along other great channels of communication, I encountered the masses of population moving westward, I was tempted to ask myself, on the other hand, a far different question, and that was, Where in the world will all these people find room to settle ?

Nor are we to overlook, in this survey of the causes of the vast increase in the sale of lands, the effects, almost magical, of that great agent of beneficence, prosperity, wealth, and power — INTERNAL IMPROVEMENT. This has brought the West to the Atlantic, and carried the Atlantic to the West. Ohio, Indiana, Illinois, Michigan, and Wisconsin are no longer places remote from us. Rail-roads and canals have brought the settlers of these regions so near to us that we almost see the smoke of their cabins and hear the strokes of their axes. From Maine to the upper Mississippi is already a beaten track, with one's acquaintances every where along the road, and that road even not a long one, if we measure it by the time required to pass over it.

Mr. President, if I am asked how long these causes, or any of

them, will continue to act, with this effective energy, I readily answer that I cannot foresee. Nor can I foresee other events, which may affect our revenue in years to come. And it is for this reason precisely, that what I propose is limited to a single year. All the uncertainties and contingencies which naturally belong to human affairs, hang over us. I know not what expenditures may be called for next year. I know not what may be necessary to satisfy the all-absorbing capacity of Indian wars and Indian treaties. I know not what events, at home or abroad, may shake our commercial security. I know not what frosts and blights may do against the cotton crops. I know not what may happen to our currency. I cannot tell what demands for the use of capital in other objects may slacken the purchase of public lands; for I am persuaded that, hereafter, our income from that source is likely to be much more fluctuating than heretofore, as depending less on the actual amount of emigration, and more on the occasional plenty or scarcity of money. Emigration must hereafter supply its wants, much more than formerly, out of lands already separated from the public domain.

Under these circumstances, it appears to me to be prudent to limit the proposed division to a single operation. Let us lighten the Treasury for once; and then let us pause, and contemplate our condition. As to what may then be expedient, events will enlighten us. We shall be able to judge more wisely, by the result of our experiments, and the future will be more visible as it approaches nearer.

It will be observed, Sir, that I give full time to the deposit banks to prepare themselves to pay over these funds. Time for this purpose is indispensable. We might do rather harm than good, if we were to require any sudden operation of that kind. Give the banks time; let them know what they have to do; let the community see into what channels the surplus funds are to flow, and when they are to begin to flow; and men of business will then be able to see what is before them.

I have the fullest confidence that if we now adopt this measure, it will immediately relieve the country. It will remove that severe and almost unparalleled pressure for money which is now distressing and breaking down the industry, the enterprise, and even the courage of the commercial community. I assure you, Sir, this present pressure is not known, or felt, or believed here, in any thing like its true extent. If we give no relief, I know not what may happen, even in this day of high prosperity. I beseech those who have the power, not to let the opportunity pass, but to improve it, and thereby to revive the hopes and reassure the confidence of the country. Having expressed these sentiments, and brought forward this specific proposition for one division among the States of the surplus

funds, I should now move to commit the whole subject, either to a select committee, or the Committee on Finance, were it not that, looking to the present composition of the Senate, I am not desirous of taking a lead in this measure. The responsibility naturally rests with those who have the power of majorities, and who may expect the concurrence of other branches. Meantime I cheerfully give myself to any labor which the occasion requires, and I express my own deep and earnest conviction of the propriety and expediency of the measures which I have endeavored to explain and to support.

Mr. W. then proposed the following as an amendment to the "bill to regulate the deposits of the public money," as an additional section : —

SEC. . *And be it further enacted,* That the money which shall be in the Treasury of the United States on the first day of January, eighteen hundred and thirty-seven, reserving — millions, shall be divided among the several States, in proportion to their respective amounts of population, as ascertained by the last census, and according to the provision of the second section of the first article of the Constitution ; and the Secretary of the Treasury shall pay the same to such persons as the several States may authorize to receive it, in the following proportions, and at the following times, viz. one half on the first day of April, eighteen hundred and thirty-seven ; one quarter part, on the first day of July, eighteen hundred and thirty-seven ; and the remaining quarter on the first day of October, eighteen hundred and thirty-seven ; and all States which shall receive their several proportions according to the provisions of this act, shall be taken and understood thereby to pledge the public faith of such States to repay the same, or any part thereof, to the United States, whenever Congress shall require the same to be repaid by any act or acts which shall require such payment ratably, and in equal proportion, from all the States which had received the same.

SPEECH

IN THE SENATE OF THE UNITED STATES, ON THE SPECIE
CIRCULAR, DECEMBER 21, 1836.

THE Senate having again proceeded to the order of the day, which was the consideration of the following resolutions, heretofore moved by Mr. EWING, of Ohio : —

“ *Resolved by the Senate and House of Representatives, &c.,* That the Treasury order of the eleventh day of July, Anno Domini one thousand eight hundred and thirty-six, designating the funds which should be receivable in payment for public lands, be, and the same is hereby, rescinded.

“ *Resolved, also,* That it shall not be lawful for the Secretary of the Treasury to delegate to any person, or to any corporation, the power of directing what funds shall be receivable for customs, or for the public lands ; nor shall he make any discrimination in the funds so receivable, between different individuals, or between the different branches of the public revenue.”

Mr. WEBSTER addressed the Senate as follows : —

Mr. PRESIDENT : The power of disposing of this important subject is in the hands of gentlemen, both here and elsewhere, who are not likely to be influenced by any opinions of mine. I have no motive, therefore, for addressing the Senate, but to discharge a public duty, and to fulfil the expectations of those who look to me for opposition, whether availing or unavailing, to whatever I believe to be illegal or injurious to the public interests. In both these respects, the Treasury order of the 11th of July appears to me objectionable. I think it not warranted by law, and I think it also practically prejudicial. I think it has contributed not a little to the pecuniary difficulties under which the whole country has been, and still is, laboring ; and that its direct effect on one particular part of the country is still more decidedly and severely unfavorable.

The Treasury order, or Treasury circular, of the 11th of July last, is addressed by the Secretary to the receivers of public money, and to the deposit banks. It instructs these receivers and these banks, *after the 15th day of August then next, to receive in payment of the public lands nothing except what is directed by existing laws, viz. gold and silver, and, in the proper cases, Virginia land scrip ; provided, that till the 15th of December then next, the same*

indulgence heretofore extended, as to the kind of money received, may be continued, for any quantity of land not exceeding three hundred and twenty acres, to each purchaser who is an actual settler or bona fide resident in the State where the sales are made.

The exception in favor of Virginia scrip is founded on a particular act of Congress, and makes no part of the general question. It is not necessary, therefore, to refer further to that exception. The substance of the general instruction is, that *nothing but gold and silver shall be received in payment for public lands*; provided, however, that actual settlers and *bona fide* residents in the States where the sales are made may purchase in quantities not exceeding three hundred and twenty acres each, and be allowed to pay as heretofore. But this provision was limited to the 15th day of December, which has now passed; so that, by virtue of this order, gold and silver are now required of *all* purchasers and for all quantities.

I am very glad that a resolution to rescind this order has been thus early introduced; and I am glad, too, since the resolution is to be opposed, that opposition comes early, in a bold, unequivocal, and decided form. The order, it seems, is to be defended as being both legal and useful. Let its defence then be made.

The honorable member from Missouri (Mr. BENTON) objects even to giving the resolution to rescind a second reading. He avails himself of his right, though it be not according to general practice, to arrest the progress of the measure at its first stage. This, at least, is open, bold, and manly warfare.

The honorable member, in his elaborate speech, founds his opposition to this resolution, and his support of the Treasury order, on those general principles respecting currency, which he is known to entertain, and which he has maintained for many years. His opinions some of us regard as altogether ultra and impracticable; looking to a state of things not desirable in itself, even if it were practicable, and if it were desirable, as being far beyond the power of this Government to bring about.

The honorable member has manifested much perseverance, and abundant labor, most undoubtedly, in support of his opinions; he is understood, also, to have had countenance from high places; and what new hopes of success the present moment holds out to him, I am not able to judge, but we shall probably soon see. It is precisely on these general and long-known opinions that he rests his support of the Treasury order. A question, therefore, is at once raised between the gentleman's principles and opinions, on the subject of the currency, and the principles and opinions which have generally prevailed in the country, and which are, and have been, entirely opposite to his. That question is now about to be put to the vote of the Senate. In the progress, and by the termination of

this discussion, we shall learn whether the gentleman's sentiments are, or are not, to prevail, so far, at least, as the Senate is concerned. The country will rejoice, I am sure, to see some declaration of the opinions of Congress on a subject about which so much has been said, and which is so well calculated, by its perpetual agitation, to disquiet and disturb the confidence of society.

We are now fast approaching the day when one administration goes out of office, and another is to come in. The country has an interest in learning as soon as possible whether the new administration, while it receives the power and patronage, is to inherit, also, the topics, and the projects, of the past; whether it is to keep up the avowal of the same objects and the same schemes, especially in regard to the currency. The order of the Secretary is prospective, and, on the face of it, perpetual. Nothing in or about it gives it the least appearance of a temporary measure. On the contrary, its terms imply no limitation in point of duration, and the gradual manner in which it is to come into operation shows plainly an intention of making it the settled and permanent policy of Government. Indeed, it is but now beginning its complete existence. It is only five or six days since its full operation has commenced. Is it to stand, as the law of the land and the rule of the Treasury, under the administration which is to ensue? And are those notions of an exclusive specie currency, and opposition to all banks, on which it is defended, to be espoused and maintained by the new administration, as they have been by its predecessor? These are questions, not of mere curiosity, but of the highest interest to the whole country.

In considering this order, the first thing naturally is to look for the causes which led to it, or are assigned for its promulgation. And these, on the face of the order itself, are declared to be "complaints which have been made of frauds, speculations, and monopolies in the purchase of the public lands, and the aid which is said to be given to effect these objects by excessive bank credits, and dangerous, if not partial, facilities through bank drafts and bank deposits, and the general evil influence likely to result to the public interest, and especially the safety of the great amount of money in the Treasury, and the sound condition of the currency of the country, from the further exchange of the national domain in this manner, and chiefly for bank credits and paper money."

This is the catalogue of evils to be cured by this order. In what these frauds consist, what are the monopolies complained of, or what is precisely intended by these injurious speculations, we are not informed. All is left on the general surmise of fraud, speculation, and monopoly. It is not avowed, or intimated, that the Government has sustained any loss, either by the receipt of bank notes, which proved not to be equivalent to specie, or in any other way. And it is not a little remarkable, that these evils of fraud, specula-

tion, and monopoly should have become so enormous, and so notorious, on the 11th of July, as to require this Executive interference for their suppression, and yet that they should not have reached such a height as to make it proper to lay the subject before Congress, although Congress remained in session until within seven days of the date of the order. And what makes this circumstance still more remarkable, is the fact that in his annual message at the commencement of the same session, the President had spoken of the rapid sales of the public lands as one of the most gratifying proofs of the general prosperity of the country, without suggesting that any danger whatever was to be apprehended from fraud, speculation, or monopoly. His words were, "Among the evidences of the increasing prosperity of the country, not the least gratifying is that afforded by the receipts from the sales of the public lands, which amount, in the present year, to the unexpected sum of \$11,000,000." From the time of the delivery of that message down to the date of the Treasury order, there had not been the least change, so far as I know, or so far as we are informed, in the manner of receiving payment for the public lands. Every thing stood on the 11th of July, 1836, as it had stood at the opening of the session, in December, 1835. How so different a view of things happened to be taken at the two periods, we may be able to learn, perhaps, in the further progress of this debate.

The order speaks of the "evil influence" likely to result from the further exchange of the public lands into "paper money." Now, this is the very language of the gentleman from Missouri. He habitually speaks of the notes of all banks, however solvent, and however promptly their notes may be redeemed in gold and silver, as "paper money." The Secretary has adopted the honorable member's phrases, and he speaks, too, of all the bank notes received at the land offices, although every one of them is redeemable in specie, on demand, but as so much "paper money."

In this respect, also, Sir, I hope we may know more as we grow older, and be able to learn whether, in times to come, as in times recently passed, the justly obnoxious and odious character of "paper money" is to be applied to the issues of all the banks in all the States, with whatever punctuality they redeem their bills. This is quite new, as financial language. By paper money in its obnoxious sense, I understand paper, issued on credit alone, without capital, without funds assigned for its payment, resting only on the good faith and the future ability of those who issue it. Such was the paper money of our revolutionary times; and such, perhaps, may have been the true character of the paper of particular institutions since. But the notes of banks of competent capitals, limited in amount to a due proportion of such capitals, made payable on demand in gold and silver, and always so paid on demand, are paper money

in no sense but one ; that is to say, they are made of paper, and they circulate as money. And it may be proper enough for those who maintain that nothing should so circulate but gold and silver, to denominate such bank notes "paper money," since they regard them but as paper intruders into channels which should flow only with gold and silver. If this language of the order is authentic, and is to be so hereafter, and all bank notes are to be regarded and stigmatized as mere "paper money," the sooner the country knows it the better.

The member from Missouri charges those who wish to rescind the Treasury order with two objects — first, to degrade and disgrace the President, and next, to overthrow the constitutional currency of the country.

For my own part, Sir, I denounce nobody ; I seek to degrade or disgrace nobody. Holding the order illegal and unwise, I shall certainly vote to rescind it ; and, in the discharge of this duty, I hope I am not expected to shrink back, lest I should do something which might call in question the wisdom of the Secretary, or even of the President. And I hope that so much of independence as may be manifested by free discussion and an honest vote is not to cause denunciation from any quarter. If it should, let it come.

As to an attempt to overthrow the constitutional currency of the country, if I were now to enter into such a design, I should be beginning at rather a late day, to wage war against the efforts of my whole political life. From my very first concern with public affairs, I have looked at the public currency as a matter of the highest interest, and hope I have given sufficient proofs of a disposition at all times to maintain it sound and secure, against all attacks and all dangers. When I first entered the other House of Congress the currency was exceedingly deranged. Most of the banks had stopped payment, and the circulating medium had then become, indeed, paper money. So soon as a state of peace enabled us, I took some part in an effort, with others, to restore the currency to a better state ; and success followed that effort.

But what is meant by the "constitutional currency," about which so much is said ? What species, or forms of currency, does the Constitution allow, and what does it forbid ? It is plain enough that this depends on what we understand by *currency*. Currency, in a large, and perhaps in a just sense, includes not only gold and silver, and bank notes, but bills of exchange also. It may include all that adjusts exchanges, and settles balances, in the operation of trade and business. But if we understand by currency the *legal money* of the country, and which constitutes a lawful tender for debts, and is the statute measure of value, then, undoubtedly, nothing is included but gold and silver. Most unquestionably there is no legal tender, and there can be no legal tender, in this country,

under the authority of this Government or any other, but gold and silver, either the coinage of our own mints, or foreign coins, at rates regulated by Congress. This is a constitutional principle, perfectly plain, and of the very highest importance. The States are expressly prohibited from making any thing but gold and silver a tender in payment of debts; and, although no such express prohibition is applied to Congress, yet, as Congress has no power granted to it, in this respect, but to coin money, and to regulate the value of foreign coins, it clearly has no power to substitute paper, or any thing else, for coin, as a tender in payment of debts, and in discharge of contracts. Congress has exercised this power, fully, in both its branches. It has coined money, and still coins it; it has regulated the value of foreign coins, and still regulates their value. The legal tender, therefore, the constitutional standard of value, is established, and cannot be overthrown. To overthrow it, would shake the whole system.

But if the Constitution knows only gold and silver as a legal tender, does it follow that the Constitution cannot tolerate the voluntary circulation of bank notes, convertible into gold and silver at the will of the holder, as part of the actual money of the country? Is a man not only to be entitled to demand gold and silver for every debt, but is he, or should he be, obliged to demand it in all cases? Is it, or should Government make it, unlawful to receive pay in any thing else? Such a notion is too absurd to be seriously treated. The constitutional *tender* is the thing to be preserved, and it ought to be preserved sacredly, under all circumstances. The rest remains for judicious legislation by those who have competent authority.

I have already said that Congress has never supposed itself authorized to make any thing but coin a tender, in the payment of debts, between individual and individual; but it by no means follows from this, that it may not authorize the receipt of any thing but coin in payment of debts due to the United States.

These powers are distinct, and flow from different sources. The power of coinage is a general power; a portion of sovereignty, taken from the States and conferred on Congress, for the sake both of uniformity and of greater security. It is to be exercised for the benefit of all the People, by establishing a legal tender and standard of value in all transactions.

But when Congress lays duties and taxes, or disposes of the public lands, it may direct payment to be made, in whatever *medium* it pleases. The authority to lay taxes includes the power of deciding how they shall be paid; and the power granted by the Constitution to dispose of the territory belonging to the United States, carries with it, of course, the power of fixing not only the price, and the conditions, and time of payment, but also the *medium* of payment. Both in respect to duties and taxes, and payments

for lands, it has been, accordingly, the constant practice of Congress, in its discretion, to provide for the receipt of sundry things, besides gold and silver. As early as seventeen hundred and ninety-seven, the public stocks of the Government were made receivable for lands sold; the six per cents. at par, and other descriptions of stock in proportion. This policy had, probably, a double purpose in view — the one to sustain the price of the public stocks, and the other to hasten the sale and settlement of the lands. Other statutes have given the like receivable character to Mississippi stock, and to Virginia land scrip. So Treasury notes were made receivable for duties and taxes; and, indeed, if any such should now be found outstanding, I believe they constitute a lawful mode of payment, at the present moment, whether for duties and taxes, or for lands.

But, in regard both to taxes and payments for lands, Congress has not left the subject without complete legal regulation. It has exercised its full power. The statutes have declared what should be received, from debtors and from purchasers, and have left no ground whatever for the interference of Executive discretion, or Executive control. So far as I know, there has been no period when this subject was not subject to express legal provision. When the duty act and the tonnage act were passed, at the first session of the first Congress, an act was passed also, at the same session, containing a section which prescribed the coins, and fixed their values, in which those duties were to be paid. From that time to this, the *medium* for the payment of public debts and dues has been a matter of fixed legal right, and not a matter of Executive discretion at all. The Secretary of the Treasury has had no more power over these laws than over other laws. He can no more change the legal mode of paying the duty than he can change the amount of the duty to be paid; or alter the legal means of paying for lands, with any more propriety than he can alter the price of the lands themselves. It would be strange, indeed, if this were not so. It would be ridiculous to say that we lived under a Government of laws, if an Executive officer may say in what currency, or medium, a man shall pay his taxes and debts to Government, and may make one rule for one man, and another rule for another. We might as well admit that the Secretary had authority to remit or give in the debt of one, while he enforced payment on the other.

I desire, Sir, even at the expense of some repetition, to fix the attention of the Senate to this proposition, that Congress, having by the Constitution authority to dispose of the public territory, has passed laws for the complete exercise of that power; laws which not only have fixed the price of the public lands, the manner of sales, and the time of payment, but which have fixed also, with equal precision, the *medium*, or kinds of money, or of other things which shall be received in payment. It has neglected no part of

this important trust ; it has delegated no part of it ; it has left no ground, not an inch for Executive interposition.

The only question, therefore, is, What *is* the law, or what *was* the law, when the Secretary issued his order?

The Secretary considers that that which has been uniformly done for twenty years, that is to say, the receiving of payment for the public lands in the bills of specie-paying banks, is against law. He calls it an "indulgence ;" and this "indulgence" the order proposes to continue for a limited time, and in favor of a particular class of purchasers. If this were an indulgence, and against law, one might well ask, how has it happened, that it should have continued so long, especially through recent years, marked by such a spirit of thorough and searching reform? It might be asked, too, If this be illegal, and an indulgence only, why continue it longer, and especially why continue it as to some, and refuse to continue it as to others?

But, Sir, it is time to turn to the statute, and to see what the legal provision is. On the 30th of April, 1816, a resolution passed both Houses of Congress. It was in the common form of a joint resolution, and was approved by the President ; and no one doubts, I suppose, that, for the purpose intended by it, it was as authentic and valid as a law in any other form. It provides, that "from and after the 20th day of February next, [1817,] no duties, taxes, debts, or sums of money, accruing or becoming payable to the United States, ought to be collected or received otherwise than in the legal currency of the United States, or Treasury notes, or notes of the Bank of the United States, or in notes of banks which are payable in specie on demand in the said legal currency of the United States."

This joint resolution authoritatively fixed the rights of parties paying, and the duties of officers receiving. So far as respects the notes of the Bank of the United States, it was altered by a law of the last session ; but in all other particulars, it is, as I suppose, in full force at the present moment ; and as it expressly authorizes the receipt of such bank notes as are payable and paid on demand, I cannot understand how the receipt of such notes is a matter of "indulgence." We may as well say that to be allowed to pay in Treasury notes, or in foreign coins, or, indeed, in our own gold and silver, is an indulgence, since the act places all on the same ground.

The honorable member from Missouri has, indeed, himself furnished a complete answer to the Secretary's idea ; that is to say, he defends the order on grounds not only differing from, but totally inconsistent with, those assumed by the Secretary. He does not consider the receipt of bank notes hitherto, or up to the time of issuing the order, as an indulgence, but as a lawful right while it lasted. How he proves this right to be now terminated, and ter-

minated by force of the order, I shall consider presently. I only say now, that his argument entirely deprives the Secretary of the only ground assigned by him for the Treasury order.

The Secretary directs the receivers to "receive in payment of the public lands nothing *except what is directed by the existing laws*, viz. gold and silver, and, in the proper cases, Virginia land scrip." Gold and silver, then, and, in the proper cases, Virginia land scrip, are, in the opinion of the Secretary, all that is directed to be received by the existing laws. The receipt of bank notes he considers, therefore, but an indulgence, a thing against law, to be tolerated a little longer, as to some cases, and then to be finally suppressed.

Apparently not at all satisfied with this view of the Secretary, of the ground upon which his own order must stand, the member from Missouri not only abandons it altogether, but sets up another, wholly inconsistent with it. He admits the legality of payment in such bank notes up to the date of the order itself, but insists that the Secretary of the Treasury had a right of selection, and a right of rejection also; and that, although the various modes of payment provided by the resolution of 1816 were all good and lawful, till the Secretary should make some of them otherwise, yet that, by virtue of his power of selection or rejection, he might at any time strike one or more of them out of the list. And this power of selection or rejection he thinks he finds in the resolution of 1816 itself.

I incline to think, Sir, that the Secretary will be as little satisfied with the footing on which his friend, the honorable member from Missouri, thus places his order, as that friend is with the Secretary's own ground. For my part, I think them both just half right; that is to say, both, in my humble judgment, are just so far right as they distrust and disclaim the reasoning of each other. Let me state, Sir, as I understand it, the honorable member's argument. It is, that the law of 1816 gives the Secretary a selection; that it provides four different modes, or *media*, of payments; that the Secretary is to collect the revenue in one, or several, or all these modes, or *media*, at his discretion; that all are in the disjunctive, as I think he expressed it; and that the resolution, or law, is not mandatory or conclusive in favor of any one. According to the honorable member, therefore, if the Secretary had chosen to say that our own eagles and our own dollars should no longer be receivable, whether for customs, taxes, or public lands, he had a clear right to say so, and to stop their reception.

Before a construction of so extraordinary a character be fixed on the law of 1816, something like the appearance of argument, I think, might be expected in its favor. But what is there upon which to found such an implied power in the Secretary of the Treasury? Is there a syllable in the whole law which countenances any such idea for a single moment? There clearly is not. The law

was intended to provide, and does provide, in what sorts of money or other means of payment those who owe debts to the government shall pay those debts.

It enumerates four kinds of money or other means of payment; and can any thing be plainer than that he who has to pay may have his choice out of all four? All being equally lawful, the choice is with the payer, and not with the receiver. This would seem to be too plain either to be argued or to be denied. Other laws of the United States have made both gold and silver coins a tender in the payment of private debts. Did any man ever imagine that in that case the choice between the coins to be tendered was to lie with the party receiving? No one could ever be guilty of such an absurdity. And unless there be something in the law of 1816 itself, which either expressly, or by reasonable inference, confers a similar power on the Secretary of the Treasury in regard to public payments, is there, in the nature of things, any difference between the cases? Now, there is nothing, either in the law of 1816, or any other law, which confers any such power on the Secretary of the Treasury, either directly or indirectly, or which suggests, or intimates, any ground upon which such power might be implied. Indeed, the statement of the argument seems to me enough to confute it. It makes the law of 1816 not a rule, but the dissolution of all rule; not a law, but the abrogation of all existing laws. According to the argument, the Secretary of the Treasury had authority, not only to refuse the receipt of Treasury notes, which had been issued upon the faith of statutes expressly making them receivable for debts and duties, and notes of the Bank of the United States, which were also made receivable by the law creating the bank, but to refuse also foreign coins, and the coinage of our own Mint; putting thus the legislation of Congress for five-and-twenty years at the unrestrained and absolute discretion of the Secretary of the Treasury. It appears to me quite impossible that any gentleman, on reflection, can undertake to support such a construction.

But the gentleman relies on a supposed practice to maintain his interpretation of the law. What practice? Has any Secretary ever refused to receive the notes of specie-paying banks, either at the custom-house or the land offices, for a single hour? Never. Has any Secretary presumed to strike foreign coin, or Treasury notes, or our own coin out of the list of receivables? Such an idea certainly never entered into the head of any Secretary. The gentleman argues that the Treasury has made discriminations; but what discriminations? I suppose the whole truth to be simply this: that, admitting at all times the right of the party paying, to pay in notes of specie-paying banks, the collectors and receivers have not been held bound to receive notes of distant banks of which they knew nothing, and could not judge, therefore, whether their notes

came within the law. Those collectors and receivers were bound to receive the bills of specie-paying banks; but as that duty arose from the fact that the notes tendered were the notes of specie-paying banks, that fact, if not notorious or already known to them, must be made known, with reasonable certainty, before the duty to receive them became imperative. I suppose there may have been Treasury orders, regulating the conduct of collectors and receivers in this particular. Any orders which went further than this would go beyond the law.

The honorable member quotes one of the by-laws of the late Bank of the United States; but what has that to do with the subject? Does the honorable member think that the by-laws of the late bank were *laws* to the People of the United States? The bank was under no obligation to receive any notes on deposit except its own. It might, therefore, make just such an arrangement with the Treasury as it saw fit, if it saw fit to make any. But neither the Treasury, nor the bank, nor both together, could do away with the written letter of an act of Congress; nor did either undertake so to do.

But, Sir, what have been the gentleman's own opinions on this subject heretofore? Has he always been of opinion that the Secretary enjoyed this power of selection, as he now calls it, under the law of 1816? Has he heretofore looked upon the various provisions of that law only as so many movable and shifting parts, to be thrown into gear and out of gear by the mere touch of the Secretary's hand? Certainly, Sir, he has not thought so; certainly he has looked upon that law as fixed, definite, and beyond Executive power, as clearly as other laws; as a statute, to be repealed or modified only by another statute. No longer ago than the 23d of last April, the honorable member introduced a resolution into the Senate in the following words: —

“*Resolved*, That, from and after the —— day of ——, in the year 1836, nothing but gold and silver coin ought to be received in payment for public lands; and that the Committee on Public Lands be instructed to report a bill accordingly.”

And now, Sir, I ask why the honorable member moved here for a bill and a law, if the whole matter was, in his opinion, within the power of the Secretary of the Treasury?

The Senate did not adopt this resolution. A day or two after its introduction, and when some little discussion had been had upon it, a motion to lay it on the table prevailed, hardly opposed, I think, except by the gentleman's own vote. A few weeks after this disposition had been made of this resolution, the session came to a close, and, seven days after the close of the session, the Treasury order made its appearance.

But this is not all. There is higher authority than even that of

the honorable member. Looking to the expiration of the charter of the Bank of the United States, the President, in his annual message in December last, said it was incumbent on Congress to discontinue, by law, the receipt of the bills of that bank in payment of the public revenue. Now, as the charter was to expire on the 3d of March, there was nothing to make its bills receivable after that period except the law of 1816. To strike the provision respecting notes of the bank out of that law, another law was indeed necessary, according to my understanding ; but I do not conceive how it should be thought necessary, upon the construction of the honorable member. Both Houses being of opinion, however, that the thing could not be done without law, an act was passed for that purpose, and was approved by the President. Here, then, Sir, is the gentleman's own authority, the authority of the President, and the authority of both Houses of Congress, for saying that nothing contained in the law of 1816 can be thrust out of it by any other power than the power of a subsequent statute. I am therefore of opinion that the Treasury order of the 11th of July, is against the plain words and meaning of the law of 1816 ; against the whole practice of the Government under that law ; against the honorable gentleman's own opinion, as expressed in his resolution of the 23d of April ; and not reconcilable with the necessity which was supposed to exist for the passage of the act of last session.

On this occasion I have heard of no attempt to justify the order on the ground of any other law, or act, but the act of 1816. When the order was published, however, it was accompanied with an exposition, apparently half official, which looked to the land laws as the Secretary's source of power, and which took no notice at all of the law of 1816. The land law referred to was the act of 1820 ; but it turns out, upon examination, that there is nothing at all in that law to support the order, or give it any countenance whatever. The only clause in it which could be supposed to have the slightest reference to the subject is the proviso in the fourth section. That section provides for the sale of such lands as, having been once sold on credit, should revert or become forfeited to the United States through failure of payment ; and the proviso declares that no such lands shall be again sold on any other terms than those of "cash payment." These words, "cash payment," have been seized upon, as if they had wrought an entire change in the important provisions of the law of 1816, and already established an exclusive specie payment for lands. The idea is too futile for serious refutation. In the first place, the whole section applies only to forfeited lands ; but the truth is, the term "cash payment," means only payment down, in contradistinction to credit, which had formerly been allowed ; just as the same words in the tariff act of July, 1832, mean payment down, instead of payment secured by bonds, when it says that the

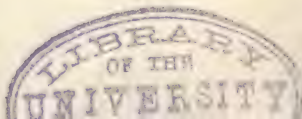
duties on certain articles shall be paid in "cash." As to the second section of the land law of 1820, which was set forth with great formality in the exposition to which I have referred, as furnishing authority for the Secretary's order, there is not a word in it having any such tendency; not a syllable which has any application to the matter. That section simply declares, that after the first day of July, in that year, every purchaser of land at public sale shall, on the day of purchase, make a *complete payment therefor*; and the purchaser at private sale shall produce a receipt for the amount of the *purchase money* on any tract, before he shall enter the same at the land office. This is all. It does not say *how* the purchaser shall make *complete payment*, nor in what currency the purchase money shall be received. It is quite evident, therefore, that that section lends the order no support whatever.

The defence of the order, then, stands thus: The Secretary founds it upon the idea that nothing but gold and silver was ever lawfully receivable, and that the receipt of bank bills has been all along an "*indulgence*," against law. For this opinion he gives no reasons.

The honorable member from Missouri rejects this doctrine: he admits the receipt of bank notes to have been lawful until made unlawful by the order itself; and insists that the Secretary's power of stopping their further receipt, arises *under* the law of 1816, and is an authority derived from it. But, then, the long and half-official exposition which accompanied the publication of the order has no faith in the law of 1816 as a source of power, but makes a parade of a totally and perfectly inapplicable section, out of the land law of 1820. Grounds of defence, so totally inconsistent, cannot all be sound, but they may be all unsound; and whether they be so or not, is a question which I would willingly leave to the decision of any man of good sense and honest judgment. I take leave of this part of the case for the present. I may pause at least, I hope, until those who defend the order shall be better agreed on what ground to place it.

Mr. President, the subject of the currency is so important, so delicate, and, in my judgment, surrounded, at the present moment, with so much both of difficulty and of danger, that I am desirous, before making the few observations which I intend, on the existing condition of things and its causes, to avoid all misapprehension, by a general statement of my opinions respecting that subject.

I am certainly of opinion, then, that gold and silver, at rates fixed by Congress, constitute the legal standard of value in this country; and that neither Congress nor any State has authority to establish any other standard, or to displace this. But I am also of opinion that an exclusive circulation of gold and silver is a thing absolutely impracticable; and if practicable, not at all to be desired; inasmuch



as its effect would be to abolish credit, to repress the enterprise, and diminish the earnings of the industrious classes, and to produce, faster and sooner than any thing else in this country can produce, a moneyed aristocracy.

I am of opinion that a mixed currency, partly coin and partly bank notes, the notes not issued in excess, and always convertible into specie at the will of the holder, is, in the present state of society, the best practical currency — always remembering, however, that bills of exchange perform a great part of the duty of currency, and, therefore, that the state of domestic exchange is always a matter of high importance, and great actual bearing on commercial business.

I admit that a currency partly composed of bank notes has always a liability, and often a tendency, to excess; and that it requires the constant care and oversight of Government.

I am of opinion, even, that the convertibility of bank notes into gold and silver, although it be a necessary guard, is not an absolute security, against occasional excess of paper issues.

I believe even that the confining of discounts to such notes and bills as represent real transactions of purchase and sale, or to real business paper, as it is called, though generally a sufficient check, is not always so; because I believe there is sometimes such a thing as over-trading, or over-production.

What, then, it will be asked, *is* a sufficient check? I can only repeat what I have before said, that it is a subject which requires the constant care, watchfulness, and superintendence of Government. But our misfortune is, that we have withdrawn all care and all superintendence from the whole subject. We have surrendered the whole matter to eight-and-twenty States and Territories. With the power of coinage, and the power and duty of regulating commerce, both external and internal, this Government has little more control over the mass of money which circulates in the country, than a foreign Government. Upon the expiration of the charter of the Bank of the United States, new banks were created by the States. Sixty or eighty millions of banking capital have thus been added to the mass, since 1832. All this it was easy to foresee — it was all foreseen, and all foretold. The wonder only is, that the evil has not already become greater than it is; and it would have been greater, and we should have had such an excess as would perhaps have depreciated the currency, had it not been for the extraordinary prosperity of the country. No very great excess, I believe, has as yet in fact happened, or rather no very great excess does now exist. There are sufficient evidences, I think, of this.

In the first place, the amount of specie in the country is far greater than was ever known before, and it is not exported. In the next place, as all the banks as yet maintain their credit, and all pay specie on demand, the whole circulation is, in effect, equivalent to

a specie circulation ; and the state of the foreign exchange shows that the value of our money, in the mass, is not depreciated, since it may be transferred without any loss into the currency of other countries. Our money, therefore, is as good as the money of other countries. If it had fallen below the value of money abroad, the rates of exchange would instantly show that fact. There has been, therefore, as yet, or at least there exists at present, no considerable depreciation of money. If, then, it be asked, what keeps up the value of money, in this vast and sudden expansion and increase of it, I have already given the answer which appears to me to be the true one. It is kept up by an equally vast and sudden increase in the property of the country, and in the value of that property, intrinsic as well as marketable. None of us, I think, have estimated this increase high enough, and for that reason we have all been looking for an earlier fall in prices. It seems obvious to me, that an augmentation in the value of property, far exceeding all former experience in any country, even our own, has taken place in the United States within the last few years. The public lands may furnish one instance of this rapid increase. It was estimated last session, by my honorable friend from Ohio, (Mr. EWING,) that the demands of actual settlers for lands for settlement were eight millions of acres per annum, on an average of some years. These eight millions, if taken up at Government prices at private entry, would cost ten millions of dollars. Now, partly by cultivation, but more by the continued rush of emigration, both from Europe and the Atlantic coast, the value of these ten millions in a very few years springs up to forty millions ; that is to say, lands taken up at one dollar and a quarter an acre, soon become worth five dollars an acre for actual cultivation, and in intrinsic value. And it is to be remembered that these lands are alienable and salable, with as little of form and ceremony, almost, as if they were goods and chattels. Now, if we make an estimate, not merely on the eight millions of acres required for actual settlement, but on the whole quantity selected and taken up annually, we shall see something of the addition to the whole amount of property which accrues annually from the public lands. A rise has taken place, too, though less striking, in the value of other lands, in the country ; and property, in goods, merchandise, products, and other forms, is rapidly augmented also, both in quantity and value, by the industry and skill of the People, and the extension and most successful use of machinery.

Another most important element in the general estimate of the progress of wealth in the country, is the wonderful annual increase of the cotton crops, and the prices which the article bears. Last year's crop reached, probably, to eighty millions of dollars. Now, most of the cotton produced in the United States is sold, once, at

least, in the country, and much of it many times. The bills drawn against it when shipped, either for Europe or the Atlantic ports, are usually cashed at the place of drawing, commonly, no doubt, by means of bank notes, or bank credits.

I put all these cases but as instances showing the increased value of property and amount of business in the country, and accounting therefore for an expansion of the circulation, without supposing great excess; since it is obvious that the circulating money of a country naturally bears a proportion to the whole mass of property, and to the number and amount of business transactions.

But there is another cause of a less favorable character, which may have had its effect already; or, if not, is very likely to have it hereafter in augmenting the circulation of bank notes; I mean the obstruction and embarrassment of the domestic exchanges. In a proper and natural state of affairs, the place of currency, or money, is filled to a great extent by bills of exchange; and this continues to be the case so long as the rates of the exchange remain low and steady. Nobody, for example, will send bank notes or specie from New York to New Orleans, if he can buy a good bill at par, or near par. But when exchange becomes disturbed, when rates rise and fluctuate, bills cease to be able to perform this function, and then bank notes begin to be sent about from place to place, in quantities, to supply the place of bills of exchange, in payment of debts and balances. All such, and all other, derangements and distractions in the free course of domestic exchanges, necessarily produce an unnatural and considerable increase of the circulation. So far as our circulation has been, or may be, augmented by this cause, so far both the cause and the effect are to be deplored. In my opinion, we have certainly reason to fear this excess hereafter. What is to prevent it? Is it possible that so many State banks, so far apart, so unknown to each other, with no common objects, no common principles of discount, and no general regulation whatever, should act so much in concert, and upon system, as to maintain the currency of the country steady, without either unjust expansion or unnecessary contraction? I believe it is not possible. I believe many of those who insist so much on hard money circulation believe this also; and that they press their impracticable hard money notions, from a consciousness that the discontinuance of a national institution has brought the country into a condition in which it is threatened with issues of irredeemable paper.

Our present evil, however, is of a different kind. It is, indeed, somewhat novel and anomalous. With high general prosperity, good crops, generally speaking, an abundance of the precious metals, and a favorable state of foreign exchanges, men of business have yet felt, for some months, an unprecedented scarcity of money.

That is the state of things ; its cause, in my opinion, is expressed in a few words : *it is the derangement of internal intercourse, and internal exchange.* Our difficulty is not exhaustion, but obstruction. Every body has means enough, but nobody can use his means. All the usual channels of commercial dealing are blocked up. The manufacturers of the North cannot obtain from the South the proceeds of the sales of their articles ; the South finds money scarce, too, in the midst of its abundant exports.

In a country so extensive and so busy, every merchant's means become more or less dispersed, and exist in various places in the shape of debts. Exchange is the instrument, the wand, by which he reaches forth to these means wherever they are, and uses them for his immediate and daily purposes. But this instrument is broken. He can no longer touch with it his distant debt, and make that debt present money. He seeks, therefore, for expedients ; borrows money, if he can, till times change ; pays enormous rates of interest to maintain credit ; thinks things, when at the worst, must soon change ; looks for reaction, and sacrifices to capitalists, brokers, and money-lenders, the hard earnings of years, rather than fail to fulfil his commercial engagements. It is a happy and blessed hour, this, for greedy capital and grasping brokerage ; an excruciating one for honest industry. The very rich grow every day richer ; the laborious and industrious, every day poorer. Meantime, the highways of commercial dealing and exchanges grow more and more foundering, or are all breaking up. Specie, always most useful as the basis of a circulation, when most in repose, gets upon the move. Any time the last four months it might have happened, and many times doubtless it has happened, that steam-boats from New York, carrying specie to Boston, have passed in the Sound steam-boats from Boston carrying specie to New York. Boating and carting money backward and forward becomes the order of the day ; and there are those who, the more they hear of specie, hauled and transported about from place to place, in masses, the more they flatter themselves with the idea that the country is returning rapidly to a safe and happy specie circulation !

There may be other minor causes. They are not worth enumerating. The great and immediate origin of evil is disturbance in the exchange ; and, in my opinion, this disturbance has been caused by the agency of the Government itself. The fifty millions in the Treasury have been agitated by unnecessary transfers. As a large portion of this sum was to be deposited with the States at the beginning of next year, the Secretary seems to have thought it necessary to cut up, divide, and remove assigned portions of it before the time came. It is this idea of *removal* that has wrought the mischief. In consequence of this, money has been taken from places of active commercial business, where it was much needed,

and all used, and carried to places where it was not needed, and could not be used.

The agricultural State of Indiana, for example, is full of specie; the highly commercial and manufacturing State of Massachusetts is severely drained. In the mean time, the money in Indiana *cannot be used*. It is waiting for the new year. The moment the Treasury grasp is let loose from it, it will tend again to the great marts of business; that is to say, the restoration of the natural state of things will begin to correct the evil of arbitrary and artificial financial arrangements. The money will go back to the places where it is wanted. It will seek its level, and its place of usefulness. In my opinion, the proper execution of the deposit law did not make it at all necessary for the Treasury to order these previous local changes. The law itself is not answerable for the inconvenience which has resulted. When the time came, the States, all of them, would have been very glad to receive the money where it was. They wanted but an order for it. They desired no carting. Can any thing be more preposterous than to transfer specie from New York to Nashville, when to a man in Nashville specie in New York is two per cent. more valuable than if he had it in his own house? There is always a tendency in specie, not actually in the pockets of the People, towards the great marts and places of exchange. Those who want it, want it there. There the great transactions of commerce are performed, and there the means of those transactions naturally exist, simply because there they are required. Now, what reason was there for disturbing the revenue, thus lying where it had been collected, and thus mingled with the commerce of the country? Why laboriously drag it off, far from its place of useful action, to places where it was not wanted, and could do no good, and there hold it, under the key of the Treasury.

This anticipation of the operation of the deposit law — this attempt at *local* distribution — this arbitrary system of transfer, which seems to forget at once the necessities of commerce, and the real uses of money, I regard as the direct and prime cause of the pressure felt by the community. But the Treasury order came powerfully in aid of this. This order checked the use of bank notes in the West, and made another loud call for specie. The specie, therefore, is transferred to the West to pay for lands; being received for lands, it becomes public revenue, is brought to the East for expenditure, and passes, on its way, other quantities going West, to buy lands also, and in the same way to return again to the East. Now, Sir, how does all this improve the currency? What fraud does it prevent, what speculation does it arrest, what monopoly does it suppress? I am very much mistaken if all this does not embarrass the small purchaser of land much more than the large one. He who has fifty or a hundred thousand dollars to lay out, may

collect his specie, not without some charge, it is true, but without a very heavy charge. But, if there be a man, with a hundred or two dollars, waiting to take up a small parcel for actual settlement, and his money be in bank notes, and the bank, perhaps, at a great distance, what has he to do? He must send far to exchange a little money; or else he must submit to any brokerage which he may find established in the neighborhood of the land-office. Upon the local operation of this order, however, I say the less, as on that point Western gentlemen are better informed and better judges.

I am willing to hope, Sir, and, indeed, I do hope and believe, that when the first payment or deposit under the act of last session shall have been made, and the States shall have found some use and employment for the money, and when this unnatural transfer system shall cease, money will seek its natural channels, and commercial business resume, in some measure, its accustomed habits. But this Treasury order will be a disturbing agent, every hour it is suffered to exist. Indeed, it cannot be allowed to exist long. It is not possible that the West can submit to a measure at once so injurious and so partial. Hard money at the land-office, and bank notes at the custom-house, must make men open their eyes after a while, whatever degree of political confidence weighs down their lids. I look upon it, therefore, as certain, that the order will not be permitted long to remain in force.

If I am now asked, Sir, whether, supposing this order to be rescinded, and the deposit law executed, and the transfers discontinued, affairs will return to their former state, I answer, with all candor, that though I look, in those events, for a great improvement, I do not expect to see the domestic exchanges and the currency return entirely to their former state. I do not believe there is any agency at work, at present, competent to bring about this desirable end. In other words, I do not believe that the deposit banks, however well administered, can fully supply the place of a national institution; and I am very much mistaken if intelligent men, connected with those institutions themselves, believe any such thing. I find, that in 1828, 1829, 1830, 1831, and 1832, exchange at New York, in the southern and south-western cities, averaged three fourths of one per cent. discount, or thereabouts. Now, I doubt whether the most sanguine of those connected with the deposit banks expect to be able, through their means, to bring back exchanges to that state, or any thing like it.

The deposit banks are separate and distinct institutions, many of them strangers to each other, without full confidence in each other, and all acting without uniformity of purpose. Their objects are distinct, their capitals distinct, their interests distinct. If one of them has connection with some others, it yet has no unbroken chain of connection. They have nothing which runs through the whole

circle of the exchanges, as that circle is drawn through the great commercial cities of the Union. They can only act in the business of exchange to the extent of funds, or not much beyond it, actually existing. A national institution, with branches or agencies at different points, may deal in exchanges between these points in amounts to meet the convenience of the Public, without reference to the fact of the existence of local funds. One institution, therefore, with branches, has facilities which never can be possessed by different institutions, however honorably or ably conducted.

For myself, I am of the same opinion as formerly, that for the administration of the finances of the country, for the facility of internal exchanges, and for the due control and regulation of the actual currency, a national institution, under proper guards and limits, is by far the best means within our reach. And I am, as I always have been, of opinion, that Congress, having the power of regulating commerce, and the power over the coinage, has power, also, which it is bound to exercise, by lawful means, over that currency in which the revenue is to be collected, and which is to carry on that commerce, external and internal, which is thus committed to its regulation and protection. All the duties of this Government are, in my judgment, not fulfilled, while it leaves these great interests, thus confided to its own care, to the discretion of others, or to the results of chance. But I will not go farther into these subjects at the present time.

Mr. President, I am indifferent to the form in which the Treasury order may be done away. Gentlemen may please themselves in the mode. I shall be satisfied with the substance. Believing it to be both illegal and injurious, I shall vote to rescind, to revoke, to abolish, to supersede, to do any thing which may have the effect of terminating its existence.

IN SENATE, JANUARY 30, 1837.

The bill to limit and designate the funds in which dues to the United States shall be receivable, having been read a third time, and the question being on its passage, Mr. MORRIS having concluded an argument against the constitutionality of the bill,

Mr. WEBSTER said, when the resolution moved by the Senator from Ohio, (Mr. EWING,) to rescind the Treasury order of July last, was under discussion, I expressed the sentiments which I then entertained, and which I hold now, in regard to that measure. My great object, as I then said, and now say, is to get rid of the order. I was not, and am not now, very solicitous as to the particular mode. When the subject was sent to the Committee on the Public Lands,

(though my own impression had been that it should have been referred rather to the Committee on Finance,) I assented, in the hope that they would confine what they should propose, to the single object of getting rid of the order. But for that order, I presume that few would have been willing to touch the subject at all. The majority of the Senate were content that matters should have remained as they were under the joint resolution of 1816. But as the order interfered with the provisions of that resolution, it was deemed necessary that something should be done. I regret that this bill is not such a one as was called for by the exigency, and confined to the exigency. It goes beyond what was needed, in important respects, and, though I most cordially wish for the abolition of the Treasury order, there are some things in this bill which do not accord at all with my own view of what the public interest requires. I feel, therefore, somewhat at a loss to know what is the true line of my duty on this occasion. I will state my difficulties. In the first place, I see nothing in the bill that is fixed and stable, defined and determinate; nothing peremptory and decisive, as matter of law. I asked the honorable chairman who reported the bill, whether he understood it to be peremptory in its character, and would be so in its practical effect, or not? And his answer was, that he did not doubt that its operation would be to produce a great reform in the state of the currency. Now, what I want to know is, whether this bill will furnish the country with a legal statute rule as to the payment of debts; or whether the whole matter will not be left very much in the discretion of the Secretary of the Treasury. I think it leaves too much in that discretion. It provides that he may issue orders as he may deem necessary, in order to secure the collection of the revenue in specie and bills of specie-paying banks. Now, supposing the Secretary should not think that *any* further order of any kind is necessary. Then matters will remain precisely as they are now. Suppose he should believe one kind of order necessary for one part of the country, and another for another part. The bill would allow all this. It secures no uniform or certain rule.

Again: the particular provisions of the bill appear to me (with great deference) to have been not well considered. If its enactments amount to a positive statute, (and not a mere permission or recommendation,) then neither land scrip nor revolutionary scrip can be received for the public lands; or, if they can be received for the public lands, they can equally be received for the customs. This, I presume, was not intended. The bill is imperfect; it imposes no duty on the Secretary, it enacts no law to supersede a Treasury order; the whole subject is left within the discretion of the Secretary.

While, on the one hand, it does not directly relieve the country from the existing illegal and unconstitutional Treasury order, on the

other, it does not provide a circulating medium which shall be uniform and legal in its character. Could we say, in so many words, that all the debts of this government shall be collected in such mode as the Secretary of the Treasury shall think best? Or that such funds shall be received as the Secretary shall think most expedient, with a view to increase a specie circulation? thus presenting a mere indication of the object he is to have in view, and leaving all the rest to him. Would that be law? would that be constitutional? What sort of a tender might a debtor of the United States make, under this law, in discharge of his debt? Suppose he tenders Virginia land scrip, and the answer given him is, "The Secretary of the Treasury has not issued any order that land scrip shall be receivable at the custom-house," would that not be a good answer? As this bill repeals all other enactments *in pari materie*, does it not refer the whole to the Secretary? May he not issue one order to-day, and another to-morrow? one order in the North-west, and another in the South-west? It is surely most important that, on such a subject, there should be a plain, settled, statutory provision, declaring what is receivable in discharge of debts due the Government, so that men may know what are their rights. To me it appears that, by this bill, in its present form, the whole subject is left in greater doubt than before. If we do any thing with a view to rescinding the objectionable order, let us have a bill that shall apply to the exigency, to that single object, and give the country some uniform and stable rule. If we reject the Treasury order, let us reenact the resolution of 1816; that will get rid of any thing like rebuke or reproach in regard to the order, and will give us at least a law to guide us. As the bill stands, it leaves every thing in the will of the Secretary of the Treasury.

REMARKS

IN THE SENATE OF THE UNITED STATES, ON THE PROTEST
AGAINST EXPUNGING. MONDAY, JANUARY 16, 1837.

The Senate having under consideration the Resolutions, moved by Mr. BEN-
TON, for *expunging* from the Journal of Proceedings of the Senate, for March,
1834, a Resolution declaring the opinion of the Senate concerning the illegality
of the removal of the public money from its lawful place of deposit, the Bank
of the United States; and the Debate thereon having come to a close, and the
question being about to be taken on agreeing to the said Resolutions, Mr
WEBSTER rose and addressed the Senate as follows:—

MR. PRESIDENT: Upon the truth and justice of the original
resolution of the Senate, and upon the authority of the Senate to
pass that resolution, I had an opportunity to express my opinions at
a subsequent period, when the President's protest was before us.
Those opinions remain altogether unchanged.

And now, had the Constitution secured the privilege of entering
a PROTEST on the journal, I should not say one word on this oc-
casion; although, if what is now proposed shall be accomplished,
I know not what would have been the value of such a proposition,
however formally or carefully it might have been inserted in the
body of that instrument.

But, as there is no such constitutional privilege, I can only effect
my purpose by thus addressing the Senate; and I rise, therefore,
to make that PROTEST in this manner, in the face of the Senate,
and in the face of the country, which I cannot present in any
other form.

I speak in my own behalf, and in behalf of my colleague; we
both speak as Senators from the State of Massachusetts, and, as
such, we solemnly PROTEST against this whole proceeding.

We deny that Senators from other States have any power or
authority to expunge any vote or votes which we have given here,
and which we have recorded, agreeably to the express provision of
the Constitution.

We have a high personal interest, and the State whose repre-
sentatives we are, has also a high interest in the entire preservation
of every part and parcel of the record of our conduct, as members
of the Senate.

This record the Constitution solemnly declares shall be *kept*; but the resolution before the Senate declares that this record shall be *expunged*.

Whether subterfuge and evasion, and, as it appears to us, the degrading mockery of drawing black lines upon the journal, shall or shall not leave our names and our votes legible, when this violation of the record shall have been completed, still the terms "to expunge" and the terms "to keep," when applied to a record, import ideas exactly contradictory; as much so as the terms "to preserve" and the terms "to destroy."

A record which is *expunged*, is not a record which is *kept*, any more than a record which is *destroyed* can be a record which is *preserved*. The part expunged is no longer part of the record; it has no longer a legal existence. It cannot be certified as a part of the proceeding of the Senate for any purpose of proof or evidence.

The object of the provision in the Constitution, as we think, most obviously is, that the proceedings of the Senate shall be preserved, in writing, not for the present only, not until published only, because a copy of the printed journal is not regular legal evidence; but preserved indefinitely; preserved, as other records are preserved, till destroyed by time or accident.

Every one must see that matters of the highest importance depend on the permanent preservation of the journals of the two Houses. What but the journals show that bills have been regularly passed into laws, through the several stages; what but the journal shows who are members, or who is President, or Speaker, or Secretary, or Clerk of the body? What but the journal contains the proof, necessary for the justification of those who act under our authority, and who, without the power of producing such proof, must stand as trespassers? What but the journals show who is appointed, and who rejected, by us, on the President's nomination; or who is acquitted, or who convicted, in trials on impeachment? In short, is there, at any time, any other regular and legal proof of any act done by the Senate than the journal itself?

The idea, therefore, that the Senate is bound to preserve its journal only until it is published, and then may alter, mutilate, or destroy it at pleasure, appears to us one of the most extraordinary sentiments ever advanced.

We are deeply grateful to those friends who have shown, with so much clearness, that all the precedents relied on to justify or to excuse this proceeding, are either not to the purpose, or, from the times and circumstances at and under which they happened, are no way entitled to respect in a free Government, existing under a written Constitution. But, for ourselves, we stand on the plain words of that Constitution itself. A thousand precedents elsewhere

made, whether ancient or modern, can neither rescind, nor control, nor explain away these words.

The words are, that "each House shall **KEEP** a journal of its proceedings." No gloss, no ingenuity, no specious interpretation, and much less can any fair or just reasoning reconcile the process of expunging with the plain meaning of these words, to the satisfaction of the common sense and honest understanding of mankind.

If the Senate may now expunge one part of the journal of a former session, it may, with equal authority, expunge another part, or the whole. It may expunge the entire record of any one session, or of all sessions.

It seems to us inconceivable how any men can regard such a power, and its exercise at pleasure, as consistent with the injunction of the Constitution. It can make no difference what is the completeness or incompleteness of the act of expunging, or by what means done; whether by erasure, obliteration, or defacement; if by defacement, as here proposed, whether one word or many words are written on the face of the record; whether little ink or much ink is shed on the paper; or whether some part, or the whole, of the original written journal may yet by possibility be traced. If the act done be an act to expunge, to blot out, to obliterate, to erase the record, then the record is expunged, blotted out, obliterated, and erased. And mutilation and alteration violate the record as much as obliteration or erasure. A record, subsequently altered, is not the original record. It no longer gives a just account of the proceedings of the Senate. It is no longer true. It is, in short, no journal of the real and actual proceedings of the Senate, such as the Constitution says each House shall keep.

The Constitution, therefore, is, in our deliberate judgment, violated by this proceeding, in the most plain and open manner.

The Constitution, moreover, provides that the *yeas and nays*, on any question, shall, at the request of one fifth of the members present, *be entered on the journal*. This provision, most manifestly, gives a personal right to those members who may demand it, to the entry and preservation of their votes on the record of the proceedings of the body, not for one day or one year only, but for all time. There the *yeas and nays* are to stand, forever, as permanent and lasting proof of the manner in which members have voted on great and important questions before them.

But it is now insisted that the votes of members taken by *yeas and nays*, and thus entered on the journal, as matter of right, may still be expunged; so that that, which it requires more than four fifths of the Senators to prevent from being put on the journal, may, nevertheless, be struck off, and erased, the next moment, or at any period afterwards, by the will of a mere majority; or, if this be

not admitted, then the absurdity is adopted of maintaining that this provision of the Constitution is fulfilled by merely preserving the *yeas and nays* on the journal, after having expunged and obliterated the very resolution, or the very question, on which they were given, and to which alone they refer; leaving the *yeas and nays* thus a mere list of names, connected with no subject, no question, no vote. We put it to the impartial judgment of mankind, if this proceeding be not, in this respect, also, directly and palpably inconsistent with the Constitution.

We protest, in the most solemn manner, that other Senators have no authority to deprive us of our personal rights, secured to us by the Constitution, either by expunging, or obliterating, or mutilating, or defacing, the record of our votes, duly entered by *yeas and nays*; or by expunging and obliterating the resolutions or questions on which those votes were given and recorded.

We have seen, with deep and sincere pain, the Legislatures of respectable States instructing the Senators of those States to vote for and support this violation of the journal of the Senate; and this pain is infinitely increased by our full belief, and entire conviction, that most, if not all these proceedings of States had their origin in promptings from Washington; that they have been urgently requested and insisted on, as being necessary to the accomplishment of the intended purpose; and that it is nothing else but the influence and power of the Executive branch of this Government which has brought the Legislatures of so many of the free States of this Union to quit the sphere of their ordinary duties, for the purpose of coöperating to accomplish a measure, in our judgment, so unconstitutional, so derogatory to the character of the Senate, and marked with so broad an impression of compliance with power.

But this resolution is to pass. We expect it. That cause, which has been powerful enough to influence so many State Legislatures, will show itself powerful enough, especially with such aids, to secure the passage of the resolution here.

We make up our minds to behold the spectacle which is to ensue.

We collect ourselves to look on in silence, while a scene is exhibited, which, if we did not regard it as ruthless violation of a sacred instrument, would appear to us to be little elevated above the character of a contemptible farce.

This scene we shall behold, and hundreds of American citizens, as many as may crowd into these lobbies and galleries, will behold it also; with what feelings I do not undertake to say.

But we PROTEST, we most solemnly PROTEST, against the substance and against the manner of this proceeding; against its object, against its form, and against its effect. We tell you that you

have no right to mar or mutilate the record of our votes given here, and recorded according to the Constitution ; we tell you that we may as well erase the *yeas and nays* on any other question or resolution, or on all questions and resolutions, as on this ; we tell you that you have just as much right to falsify the record, by so altering it as to make us appear to have voted on any question as we did not vote, as you have to erase a record, and make that page a blank, in which our votes, as they were actually given and recorded, now stand. The one proceeding, as it appears to us, is as much a falsification of the record as the other.

Having made this PROTEST, our duty is performed. We rescue our own names, character, and honor, from all participation in this matter ; and whatever the wayward character of the times, the headlong and plunging spirit of party devotion, or the fear or the love of power, may have been able to bring about elsewhere, we desire to thank God that they have not, as yet, overcome the love of liberty, fidelity to true republican principles, and a sacred regard for the Constitution, in that State whose soil was drenched, to a mire, by the first and best blood of the Revolution. Massachusetts, as yet, has not been conquered ; and while we have the honor to hold seats here as her Senators, we shall never consent to a sacrifice either of her rights or our own ; we shall never fail to oppose what we regard as a plain and open violation of the Constitution of the country ; and we should have thought ourselves wholly unworthy of her, if we had not, with all the solemnity and earnestness in our power, PROTESTED against the adoption of the resolution now before the Senate.

REMARKS

IN THE SENATE OF THE UNITED STATES, ON PRESENTING A
PETITION OF MERCHANTS OF NEW YORK, FOR THE ESTAB-
LISHMENT OF A NATIONAL BANK. FEBRUARY 8, 1837

Mr. WEBSTER addressed the Chair nearly as follows:—

I RISE, Mr. President, for the purpose of presenting to the Senate a petition signed by fourteen or fifteen hundred mercantile houses in the city of New York, praying the establishment of a National Bank in that city. These petitioners, sir, set forth that, in their opinion, a National Bank is the only remedy, of a permanent character, for the correction of the evils now affecting the currency of the country and the commercial exchanges. The petition is accompanied by a short communication from the committee raised for the purpose of preparing the petition, in which they state, what I believe to be true, from some knowledge of my own, that the petition is subscribed without reference to political distinction; and they inform us, on the authority of their own observation and knowledge, that, in their opinion, on no subject did the mercantile community of New York ever address Congress with more entire unanimity than they now approach it, in favor of a National Bank.

Mr. President, (said Mr. W.,) my own opinions on this subject have long been known; and they remain now as they always have been. The constitutional power of Congress to create a bank is made more apparent by the acknowledged necessity which the Government is under to use some sort of banks as fiscal agents. The argument stated the other day by the member from Ohio, opposite to me, (Mr. MORRIS,) and which I have suggested often, heretofore, appears to me unanswerable; and that is, that, if the Government has the power to use corporations in the fiscal concerns of the country, it must have the power to create such corporations. I have always thought that, when, by law, both Houses of Congress declared the use of State banks necessary to the administration of the revenue, every argument against the constitutional power of Congress to create a Bank of the United States was thereby sur-

rendered; that it is plain that, if Congress has the power to adopt banks for the particular use of the Government, it has the power to create such institutions also, if it deem that mode the best. No Government creates corporations for the mere purpose of giving capacity to an artificial body. It is the end designed, the use to which it is to be applied, that decides the question, in general, whether the power exists to create such bodies. If such a corporation as a bank be necessary to Government; if its use be indispensable, and if, on that ground, Congress may take into its service banks created by States, over which it has no control, and which are but poorly fitted for its purposes, how can it be maintained that Congress may not create a bank, by its own authority, responsible to itself, and well suited to promote the ends designed by it?

Mr. President, when the subject was last before the Senate, I expressed my own resolution not to make any movement towards the establishment of a National Bank, till public opinion should call for it. In that resolution I still remain. But it gives me pleasure to have the opportunity of presenting this petition, out of respect to the signers; and I have no objection certainly to meet with a proper opportunity of renewing the expression of my opinions on the subject, although I know that so general has become the impression hostile to such an institution, that any movement here would be vain till there is a change in public opinion. That there will be such a change I fully believe; it will be brought about, I think, by experience, and sober reflection among the People; and when it shall come, then will be the proper time for a movement on the subject in the public councils. Not only in New York, but from here to Maine, I believe it is now the opinion of five sixths of the whole mercantile community, that a national bank is indispensable to the steady regulation of the currency, and the facility and cheapness of exchanges. The board of trade at New York presented a memorial in favor of the same object some time ago. The Committee on Finance reported against the prayer of the petitioners, as was to have been expected from the known sentiments of a majority of that committee. In presenting this petition now to the consideration of the Senate, I have done all that I purpose on this occasion, except to move that the petition be laid on the table and printed.

Sir, on the subjects of currency and of the exchanges of commerce, experience is likely to make us wiser than we now are. These highly interesting subjects — interesting to the property, the business, and the means of support of all classes — ought not to be connected with mere party questions and temporary politics. In the business and transactions of life, men need security, steadiness, and a permanent system. This is the very last field for the

exhibition of experiments, and I fervently hope that intelligent men, in and out of Congress, will coöperate in measures which may be reasonably expected to accomplish these desirable objects — desirable and important alike to all classes and descriptions of people.

The petition and accompanying letter were then ordered to be printed.

REMARKS

IN THE SENATE OF THE UNITED STATES, FEBRUARY 20, 1837, IN
RELATION TO THE MANUSCRIPT PAPERS OF MR. MADISON.

The joint resolution for making an appropriation for the purchase of the manuscript papers of the late President Madison, relative to the proceedings of the Convention who framed the Constitution of the United States, being under consideration,

MR. WEBSTER said he supposed that there was no member of the Senate who regarded the sum proposed to be given for these manuscripts as too large, if the appropriation was within the just field of their constitutional powers. Now, what was the object of this appropriation? The Senate sat under a Constitution which had now endured more than fifty years, and had been formed under very peculiar circumstances, under a great exigency, and in a manner that no Constitution had ever been formed in any other country, on principles of united and yet divided legislation, altogether unexampled in the history of free states. Mr. W. agreed fully in the sentiment that the constant rule of interpretation to be applied to this instrument was, that its restrictions were contained in itself, and that it was to be made, as far as possible, its own interpreter. He also agreed that the practice under the Government, for a long course of years, and the opinions of those who both formed the instrument, and afterward aided in carrying it into effect by laws passed under its authority, was to be the next ground of interpretation; and it seemed to him that the measure now proposed was of great importance, both in connection with the Constitution itself, and with the history of its interpretation. He should not now speak of the political opinions of Mr. Madison. He looked only to the general facts of the case. It was well known that the Convention of great men who formed our Constitution sat with closed doors; that no report of their proceedings was published at that time; and that their debates were listened to by none but themselves and the officers in attendance. We had, indeed, the official journal kept by their order. It was an important document, but it informed us only of their official acts. We got from it nothing whatever of the debates in that illustrious body. Besides this, there were only a few published sketches, more or less valuable. But the connection

of Mr. Madison with the Constitution and the Government, and his profound knowledge of all that related to both, would necessarily give to any reports which he should have taken, a superior claim to accuracy. It was his purpose, when he entered the body, to report its whole proceedings. He chose a position which best enabled him to do so; nor had he been absent a single day during the whole period of its sittings. It was further understood that his report of the leading speeches had been submitted to the members for correction. The fact was well known to them all that he was thus collecting materials for a detailed report of their proceedings. Without, therefore, having seen a page of these manuscripts, it was reasonable to conclude that they must contain matter not only highly interesting, but very useful; and it was his impression that, among this class of cases, the Senate could not better consult the wishes and interests of the American People than to let them see a document of this character, from the pen of such a man as Madison. That gentleman had been more connected with the Constitution than almost any other individual. He had been present in that little assemblage that met at Annapolis in '86, with whom the idea of the Convention originated. He was afterwards a member of the Convention of Virginia, which ratified the Constitution. He had then been a member of the first Congress, and had taken an important lead in the great duties of its legislation, under that Constitution, in the formation of which he had acted so conspicuous a part. He had afterwards filled the important station of Secretary of State, and had subsequently been for eight years President of the United States. Thus, his whole life had been intimately connected, first with the formation, and then with the administration of the Constitution.

Mr. W. said that he saw no constitutional objection to the purchase of these manuscripts. Why did Congress purchase every year works on History, Geography, Botany, Metaphysics, and Morals? How was it that they had purchased a collection of works of the most miscellaneous character from Mr. Jefferson? The manuscripts in question stood in a different relation. They related immediately and intimately to the nation's own affairs, and especially to the construction of that great instrument under which the Houses of Congress were now sitting. If the doctrine advanced by the Senator from South Carolina was to prevail, Congress ought forthwith to clear its library of every thing but the State papers. Mr. W.'s views on the Constitution were well known; whether an inspection of these papers would confirm and strengthen the views he entertained respecting that instrument, he could not say; but certainly, if they were now within his reach, he should be very eager to read them; and their examination would be one of the very first things that he should engage in. A report of such de-

bates, from such a pen, could not but be of the highest importance, and its perusal was well calculated to gratify a rational curiosity. It might throw much light on the early interpretation of the Constitution, and on the nature and structure of our Government. But, while it produced this effect, it could do more than all other things to show to the People of the United States through what conciliation, through what a temper of compromise, through what a just yielding of the judgment of one individual to that of another, through what a spirit of manly and brotherly love, that assembly of illustrious men had been enabled finally to agree upon the form of a Constitution for their country, and had succeeded in conferring so great a good upon the American People.

REMARKS

IN THE SENATE OF THE UNITED STATES IN RELATION TO THE
REDUCTION OF THE DUTY ON COAL. FEBRUARY 24, 1837.

The bill to reduce the Tariff being under consideration, and Mr. NILES, of Connecticut, having moved to amend the bill as follows : —

“That, from and after the thirtieth day of September, 1837, the duty on fossil coal, culm coal screenings, and coke, imported into the United States, shall be one dollar per ton of two thousand two hundred and forty pounds ; and that, after the thirtieth day of September, 1838, the duty shall be sixty cents per ton.”

Mr. NILES and Mr. BUCHANAN having spoken —

Mr. WEBSTER observed that it had been very truly stated that coal was, in this country, a necessary of life ; and an argument had thence been drawn which was capable of producing a very erroneous impression in the community, to wit, that the interest of the poor required the interposition of Congress to remove the duty now levied on its importation. Mr. W. said that, considering what had been the former course of Congress on this subject, it was as clear a proposition as could be stated, that the interest of the poor required the continuance of the tax. If he were not convinced of this, he certainly should not be in favor of retaining it. Whether we looked to the debates of the Convention, or to the earliest acts of the Federal Government, we should perceive that it was admitted to be proper and necessary to levy a duty on imported coal. One of the very first articles enumerated in the first revenue law was foreign coal. The protection of the domestic article was warmly advocated, at that time, by the Virginia Delegation, as an obvious duty of the new Government ; for, although all duties had had revenue as their main object, yet, ever since 1824, many of them had been continued for other purposes, and, among the rest, this duty on coal. Mr. W. had voted against retaining it ; but, from that time to this, the duty had retained its place in the law, on a presumed pledge of protection to such of our own citizens as were engaged in furnishing coal from the mines of our own country. A large amount of capital had been invested in machinery and wages, and also in the

construction of canals and rail-roads leading from the mines towards places of deposit or shipment. An examination would show that the sum thus invested was not less than forty millions of dollars. What, then, was the proper course to be pursued with a view to bring down the price of coal? American coal was not the only fuel of this kind in market. It stood alongside of the imported article, and there was a fair competition between them. Was there any thing so effectual in reducing the price as a fair and free competition? Here the skill and industry of our own and of foreign nations competed for the market; and, if any thing was likely to reduce the price of this necessary of life, and thus to benefit the poor, it was this. That taking off the duty would reduce the price was perfect nonsense. The effect would be just the reverse.

Mr. W. observed that it was this continual bringing forward of propositions to alter the most settled features of our policy, which was, in practice, so injurious to American industry and enterprise. In illustration of this remark, Mr. W. observed that it was not long since a very curious debate had taken place in London, at a meeting of the creditors of the late Duke of York. Among other items of his property, was a great coal mine in Nova Scotia. Certain trustees of the estate had been directed to work it. The question with the creditors was, whether the working of this mine should still be prosecuted, or what should be done with it. On inquiring of the trustees, those gentlemen stated that the mine was now not very productive, but that the policy of the American Government, in relation to duties, was vacillating and uncertain; that very soon the protecting duty on foreign coal would probably be taken off, and then they would have the entire American market. The proposition of the honorable Senator from Connecticut was calculated to hasten this state of things, and to justify the calculation of these British trustees. So it seemed that the motion of the creditors of the Duke of York was to aid the poor of the United States! The effect would be found directly the reverse. The repeal of the duty would be immediately followed by an increase of the price of the article.

The speech of the honorable Senator seemed to proceed on the assumption that Pennsylvania alone was to be affected by the measure proposed, but such was by no means the fact. It was very true that Pennsylvania was largely interested. She possessed extensive coal mines, and large amounts of capital had been invested by her citizens in this branch of enterprise. But the mountains of Maryland were as rich in bituminous coal as those of Pennsylvania were in the anthracite. Why had the Government subscribed so largely to aid in the construction of the Chesapeake and Ohio Canal? Was it not expressly with a view to reaching the exten-

sive coal beds near Cumberland? That canal, when completed, would be possessed of great facilities, and, in some respects, would have the advantage over the canals of Pennsylvania, because it would not be frozen so early in the season. Congress had done this partly with a view to securing their own supply. It was said, indeed, that the freight on coal was very large, but every body knew that, while our exports were cumbrous, coal was brought back partly as ballast. Vessels which took out cargoes of cotton, brought coal as they brought salt, on their return voyage, and at very low rates, so there was no great protection to our own miners in that respect.

Mr. W. said he objected to this breaking in upon a course of long-established and settled policy. This item of coal presented one of the clearest cases in the whole list of protected articles. It stood on as firm ground as woollens themselves, because the business of supplying it to the home market could not be carried on without great investment of capital. That investment had been actually made. The enterprise was in a course of successful operation, and the ultimate effect must be the supply of this important article of fuel at the cheapest practicable rate. The fears of monopoly were groundless; the canals were open to all—so was the mountain property; and it was abundant in Pennsylvania, in Virginia, and in the States on both sides of the great mountain range. And, if any reliance was to be placed on information received, the article could be furnished in abundance, with a reasonable profit, and at a cheap rate. Under these circumstances, would it be wise in Government to interfere? No complaint had been heard till within one season past; and, because there was, at this time, a temporary pressure, was it worth while to raise the cry of the poor against the rich, and thus to destroy a branch of industry which was itself, and in its consequences, an invaluable boon to the poor? Was this a long-sighted policy? He thought not; and it was evident the Committee on Finance had thought not, for they had not inserted this item in the bill. Mr. W. said this protecting duty on coal stood upon a just foundation; it was subject to the gradual operation of the act of 1833, and ought not to be meddled with. This was no case in which the abuses of “regraters, forestallers,” &c., called for the interposition of the law. The trade was free and open to all; coal lands were cheap, and in market every where, but it required the outlay of some capital to turn them to account. If this perpetual cry against every thing which required capital, and this crusade against all who possessed it, was to be indulged, how could the internal improvement of the country ever go on? The nation, while surrounded by all manner of natural advantages, must sit down content to be poor. Was it not manifest, where few were very rich, that any thing which carried on the work of supply must

be accomplished by combination and the collection of capital? If the Government were resolved not to leave the enterprises of our citizens to the effect of fair competition, but would perpetually interpose under the false notion of protecting the poor, great results could never be produced. The Pennsylvania canals had been decried as a monopoly. They were not a monopoly. Some of them belonged to the State, and, with a wise and liberal policy, she had thrown them open to all. Since the Government had, by its own acts, invited this investment, would they not consent to let well enough alone? He was not willing to turn accidents, or mere transient and temporary difficulties, into the grounds of continuous usage. He wished to see other avenues opened to the mountains as well as those of Pennsylvania. He held that the true interest of the community in relation to this supply of coal, and in consideration of the present state of things, was to let those who had embarked in the business go on, till competition between them should, by its natural operation, bring down the price to its minimum. To that point it was fast hastening; and when that had been reached, it would be time enough to consider whether any other and further legislation upon the subject was necessary. Mr. W. was opposed to the amendment.

After some further remarks by Mr. NILES and Mr. PRESTON,

Mr. WEBSTER rose, and observed, that he should not have entered farther in the present debate if the member from Connecticut had not (as unfortunately he too often did) both misunderstood and misrepresented it. The member had represented him as saying the reverse of what he did say. That gentleman had quoted him as asserting that the poor had no interest in the reduction of the price of coal, whereas he had said exactly the reverse. The honorable member seemed to be in the habit of framing remarks for others, and then commenting upon them. Mr. W. had expressly declared that if he thought the interest of the poor would be promoted by reducing this tax, he would vote for its reduction, and that he was opposed to it only because he believed that the true interest of that class and of every other class in the community, required that the Government should keep its hands off from the subject entirely. Mr. W. had again and again declared that he did not mean to advocate the cause of the rich in opposing this reduction, because he believed that keeping on the tax would eventually bring down the price of the article to the poor. The member did not meet this argument. He did not contradict it, but stalked around it while he talked about monopolies, and the influence of rich men on the legislation of Congress. Mr. W. did not doubt that the object at which the Senator meant to aim was to make coal cheap; and did

he not understand that this too was the aim of Mr. W.? And how then could he impute to him the design to protect the capitalist, in derogation of the laborer? to advance wealth and disregard numbers? He hoped they should all in future endeavor to state each other's arguments with at least some degree of fairness. Coal was a necessary of life to all; to the poor as well as to the rich. The object to be attained was to get it as cheap as possible. The existing state of things had grown up under laws passed fifteen years ago, and the question was, whether, under that state of things, the proposition of the member from Connecticut would, in its practical result, lower the market price of this species of fuel. The member thought it would. Mr. W. thought otherwise, and had given reasons for this opinion, which he hoped were not altogether contemptible, and such as did not rightfully expose him to the charge of advocating the interests of wealth against labor. His argument had been briefly this: Here was a large capital actually invested in roads, canals, and machinery, the effect of which would, in a short time, make coal abundant, and thereby make it cheap; while, in the meanwhile, the foreign supply was not wholly excluded, and enough would be imported by competition to keep down the price. The honorable member thought that Congress, by taking off this tax, would give the exclusive power of keeping up the price to American producers. Mr. W. differed in opinion. He thought that, by taking off this tax, they would give that power to British producers, and make our citizens the victims of their extortions. Did not rich men as well as poor make use of coal as a fuel? Was it not their interest to have fuel cheap as well as the interest of every body else? Ah, but the member was for the protection of labor. Very true. And Mr. W. insisted that the protective policy of the United States was aimed point black at the protection of labor. Did not the poor of our cities warm themselves over coal fires? What glowing pictures, or rather what shivering pictures of suffering had been presented to the Senate in the eloquent descriptions (if he thought them eloquent) of the honorable gentleman from South Carolina! But was not the laboring class in our cities the very first who received the protection of this Government? The first demand of a Constitution was for their protection. It had been the operatives spread along the Atlantic coast, whose voices brought the Constitution into being. It was not the voices of Hancock, of Adams, but of Paul Revere and his artisans which most efficiently advocated the movement for independence. It was the pouring in of a flood of foreign manufactures that gave the first impulse toward the adoption of a Constitution for our own protection; and had not the labor of our whole country been protected under it to this day? Had not the laboring classes of the United States their life, and breath, and being under that instrument? Take off

the protection which it extended to the hatters, and the shoemakers, and the whole class of mechanics who worked in leather, and see what would be the result. Go to the gentleman's own State, and take off the duty on tin ware, and he might possibly hear the tinkling of that argument. Three cents on every coffee-pot! What would the member say to that?

But it became enlightened legislators to take a different view of this subject. The true way to protect the poor was to protect their labor. Give them work to protect their earnings; that was the way to benefit the poor. Our artisans, he repeated it, were the first to be protected by the Constitution. The protection extended under our laws to capital was as nothing to that which was given to labor; and so it should be. Since, in the year 1824, I stood upon this ground, I have retained the same position, and there I mean to stand. The free labor of the United States deserves to be protected, and so far as any efforts of mine can go, it shall be. The gentleman from Connecticut tells us that coal is a bounty of Providence; that our mountains are full of it; that we have only to take hold of what God has given us. Well, Sir, I am for protecting the man who does take hold of it; who bores the rock; who penetrates the mountain; who excavates the mine, and by his assiduous labor, put us into the practical possession of this bounty of Providence. It is not wealth while it lies in the mountain. It is human labor which brings it out and makes it wealth. I am for protecting that poor laborer whose brawny arms thus enrich the State. I am for providing him with cheap fuel, that he may warm himself and his wife and children.

I observe that the very next item in the bill is one connected with the woollen factories in Connecticut. Will the honorable member go against all protecting principles? Will he talk to us on that item as he has done on this? Does not the poor man wear a cloth coat? Does he not want a great coat in cold weather? And is not that cloth taxed, and taxed for the benefit of Connecticut, and for the capitalists of Connecticut? Is cloth no necessary of life? Will the member draw us as fine a picture of the poor man shivering for want of a great coat of Connecticut cloth, as for want of a fire of Pennsylvania coal? Sir, the man who catches hold of a little idea here and a little idea there, and holds these out to us to show that a great line of national policy is unjust, takes a view, in my apprehension, too little comprehensive. We must not tax the fuel with which the poor man warms himself, because it is a necessary of life; and pray what will the honorable member do with bread? Is not that a necessary of life? and will any man here rise in his place, and move to take off the duty on wheat? Are not thousands of bushels imported from Europe? Does not the poor man pay the tax on it? And again I ask, will the honorable mem

ber bring in a bill to take off the duty on wheat? There is a duty on brown sugar — will he move to repeal that? If he will comprehend all the items included under the same principle of economy, it will show at least some consistency. But to select this article of coal, and have us make it free because it is a necessary of life, while he advocates a tax on other things equally necessary, is to act with no consistency at all. I know very well that many of the citizens of Boston have applied to have this tax diminished, and, if I thought it could with propriety be done, I would cheerfully do it. Some petitions, too, have been presented from one of our fishing towns; but they ought to remember that all bounties on the fisheries, as well as this duty on coal, rest upon one great basis of mutual concession for the protection of labor, and for the benefit especially of the operative classes of society. And whoever says that this is a system which goes for capital against the poor, misrepresents its advocates, and perverts the whole matter, from A to Z.

There are many other views which belong to the subject, but I will not now prosecute the argument. My object is to make coal cheap — *permanently* cheap: cheap to the poor man as well as the rich man: and to that end we shall arrive, if the laws are suffered to take their course. But to meddle with them, in the existing state of things, is the very worst thing that can be done either for poor or rich.

SPEECH

DELIVERED AT NIBLO'S SALOON, IN NEW YORK, ON THE
15TH MARCH, 1837.

THE proceedings and correspondence which preceded the delivery of the speech are as follows:—

At a meeting of the political friends of the Hon. Daniel Webster, held at Euterplan Hall, in the city of New York, on Tuesday evening, the 21st February, 1837, James Kent was called to the chair, and Hiram Ketchum and Gabriel P. Dissosway were appointed secretaries.

The object of the meeting having been explained, the following resolutions were, on motion, duly seconded and unanimously adopted.

Resolved, That this meeting has heard with deep concern of the intention of the Hon. Daniel Webster to resign his seat in the Senate of the United States at the close of the present session of Congress, or early in the next session.

Resolved, That while we regret the resignation of Mr. Webster, it would be most unreasonable to censure the exercise of his right to seek repose, after fourteen years of unremitted, zealous, and highly-distinguished labors in the Congress of the United States; but we indulge the hope that the nation will, at no distant day, again profit by his ripe experience as a statesman and his extensive knowledge of public affairs, by his wisdom in council and eloquence in debate.

Resolved, That in the judgment of this meeting there is none among the living or the dead who has given to the country more just or able exposition of the Constitution of the United States; none who has enforced, with more lucid and impassionate eloquence, the necessity and importance of the preservation of the Union, or exhibited more zeal or ability in defending the Constitution from the foes without the government, and foes within it, than Daniel Webster.

Resolved, That there is no part of our widely-extended country more deeply interested in the preservation of the Union than the city of New York; her motto should be "Union and Liberty, now and forever, one and inseparable," and her gratitude should be shown to the statesman who first gave utterance to this sentiment.

Resolved, That David B. Ogden, Peter Stagg, Jonathan Thompson, James Brown, Philip Hone, Samuel Stevens, Robert Smith, Joseph Tucker,

Peter Sharpe, Egbert Benson, Hugh Maxwell, Peter A. Jay, Aaron Clark, Ira B. Wheeler, William W. Todd, Seth Grosvenor, Simeon Draper, Jr., Wm. Aspinwall, Nathaniel Weed, Jonathan Goodhue, Caleb Bartow, Hiram Ketchum, Gabriel P. Dissosway, Henry K. Bogert, James Kent, Wm. S. Johnson, and John W. Leavitt, Esqrs., be a committee authorized and empowered to receive the Hon. Daniel Webster on his return from Washington, and make known to him, in the form of an address or otherwise, the sentiments which this meeting, in common with the friends of the Union and the Constitution in the city, entertain for the services which he has performed for the country; that the committee correspond with Mr. Webster, and ascertain the time when his arrival may be expected, and give public notice of the same, together with the order of proceedings which may be adopted under these resolutions.

Resolved, That these resolutions, signed by the Chairman and Secretaries, be published when the committee shall notify the public of the expected arrival of Mr. Webster.

JAMES KENT, Chairman

HIRAM KETCHUM,
GABRIEL P. DISSOSWAY, } Secretaries.

NEW YORK, March 1, 1837.

SIR—It having been currently reported that you have signified your intention to resign your seat in the Senate of the United States, a number of the friends of the Union and the Constitution in this city were convened on the evening of the 21st of last month, to devise measures whereby they might signify to you the sentiments which they, in common with all the Whigs in this city, entertain for the eminent services you have rendered to the country. At a meeting, the Hon. James Kent was called to the chair, and resolutions, a copy of which I enclose you, were adopted, not only with entire unanimity, but with a feeling of warm and hearty concurrence. On behalf of the committee appointed under one of these resolutions, I now have the honor to address you. It will be gratifying to the committee to learn from you at what time you expect to arrive in this city on your return to Massachusetts; if informed of the time of your arrival, it will afford the committee pleasure to meet you, and, in behalf of the Whigs of New York, to welcome you, and to present you, in a more extended form than the resolutions present, their views of your public services. I am instructed by the committee to say, that whether you shall choose to appear among us as a public man or a private citizen, you will be warmly greeted by every sound friend of that Constitution for which you have been so distinguished a champion. Should your resolution to resign your seat in the Senate be relinquished, you will, in the opinion of the committee, impose new obligations upon the friends of the Union and the Constitution.

I have the honor to be, very truly,

Your obedient servant,

D. B. OGDEN.

HON. DANIEL WEBSTER, Washington.

WASHINGTON, March 4th, 1837.

MY DEAR SIR—I have the honor to acknowledge the receipt of your letter of the 2d instant, communicating the resolutions at a meeting of a number of political friends of New York.

The character of these resolutions, and the kindness of the sentiments expressed in your letter, have filled me with unaffected gratitude.

I feel, at the same time, how little deserving any political services of mine are of such commendation from such a source. To the discharge of the duties of my public situation, sometimes both anxious and difficult, I have devoted time and labor without reserve; and have made sacrifices of personal and private convenience not always unimportant. These, together with integrity of purpose and fidelity, constitute, I am conscious, my only claim to the public regard; and for all these I find myself richly compensated by proofs of approbation such as your communication affords.

My desire to relinquish my seat in the Senate for the two years still remaining of the term for which I was chosen, would have been carried into execution at the close of the present session of the Senate, had not circumstances existed which, in the judgment of others, rendered it expedient to defer the fulfilment of that purpose for the present.

It is my expectation to be in New York early in the week after next; and it will give me pleasure to meet the political friends who have tendered me this kind and respectful attention in any manner most agreeable to them.

I pray you to accept for yourself, and the other gentlemen of the committee, my highest regard.

DANIEL WEBSTER.

To D. B. OGDEN, Esq., New York.

At a meeting of the committee appointed under the above resolution, Philip Hone, Robert Smith, John W. Leavitt, Egbert Benson, Ira B. Wheeler, Caleb Bartow, Simeon Draper, Jr., and Wm. Samuel Johnson, Esqrs., were appointed a sub-committee to make arrangements for the reception of Mr. Webster. The committee have corresponded with Mr. Webster, and ascertained that he will leave Philadelphia on the morning of Wednesday next—he will be met by the committee, and, on landing at Whitehall, at about 2 o'clock on Wednesday afternoon, will thence be conducted by the committee, accompanied by such other citizens as choose to join them, to a place hereafter to be designated. In the evening, at half past six o'clock, he will be addressed by the committee, in a public meeting of citizens, at Niblo's Saloon.

D. B. OGDEN, Chairman.

On the subsequent day, March 15th, the committee appointed for that purpose, met Mr. Webster at Amboy, and accompanied him to the city, where he was met, on landing, by a very numerous assemblage of citizens, who thronged to see the distinguished senator, and give him a warm welcome; after landing, he was attended by the committee and a numerous cavalcade through Broadway, crowded with the most respectable citizens, to lodgings provided for him at the American Hotel. Here he made a short address to the assembled citizens, and in the evening was accompanied by the committee to Niblo's Saloon. One of the largest meetings ever held in the city of New York assembled in the Saloon, and at half past six o'clock was called to order by AARON CLARK; DAVID B. OGDEN was called to the chair as President of the meeting; Robert C. Cornell, Jonathan Goodhue, Joseph Tucker, and Nathaniel Weed, were nominated Vice-Presidents; and Joseph Hoxie and George S. Robbins, Secretaries.

After the meeting was formed, PHILIP HONE introduced Mr. Webster with

a few appropriate remarks, and he was received with the most enthusiastic greetings. Mr. OGDEN then delivered to him the following address:—

“On behalf of a committee, appointed at a meeting of a number of your personal and political friends in this city, I have now the honor of addressing you.

“It has afforded the committee, and, I may add, all your political friends, unmingled pleasure to learn that you have, at least for the present, relinquished the intention which I know you had formed of resigning your seat in the Senate of the United States. While expressing their feelings upon this change in your determination, the committee cannot avoid congratulating the country that your public services are not yet to be lost to it, and that the great champion of the Constitution and of the Union is still to continue in the field, upon which he has earned so many laurels, and has so nobly asserted and defended the rights and liberties of the People.

“The effort made by you, and the honorable men with whom you have acted in the Senate, to resist executive encroachments upon the other departments of the government, will ever be remembered with gratitude by the friends of American liberty. That these efforts were not more successful, we shall long have reason to remember and regret. The administration of General Jackson is fortunately at an end. Its effects upon the Constitution and upon the commercial prosperity of the country are not at an end. Without attempting to review the leading measures of his administration, every man engaged in business in New York feels, most sensibly, that his experiment upon the currency has produced the evils which you foretold it would produce. It has brought distress, to an extent never before experienced, upon the men of enterprise and of small capital, and has put all the primary power in the hands of a few great capitalists.

“Upon the Senate our eyes and our hopes are fixed; we know that you and your political friends are in a minority in that body, but we know that in that minority are to be found great talents, great experience, great patriotism, and we look for great and continued exertions to maintain the Constitution, the Union, and the liberties of this people. And we take this opportunity of expressing our entire confidence, that whatever men can do in a minority will be done in the Senate to relieve the country from the evils under which she is now laboring, and to save her from being sacrificed by folly, corruption, or usurpation.

“It gives me, sir, pleasure to be the organ of the committee to express to you their great respect for your talents, their deep sense of the importance of your public services, and their gratification to learn that you will still continue in the Senate.”

To this address Mr. WEBSTER replied in the following speech:—

MR. CHAIRMAN, AND FELLOW-CITIZENS: It would be idle in me to affect to be indifferent to the circumstances under which I have now the honor of addressing you.

I find myself in the Commercial Metropolis of the Continent, in the midst of a vast assembly of intelligent men, drawn from all the classes, professions, and pursuits of life.

And you have been pleased, Gentlemen, to meet me, in this imposing manner, and to offer me a warm and cordial welcome to your City. I thank you. I feel the full force and importance of this manifestation of your regard. In the highly-flattering resolu-

tions which invited me here, in the respectability of this vast multitude of my Fellow-Citizens, and in the approbation and hearty good will, which you have here manifested, I feel cause for profound and grateful acknowledgment.

To every individual of this meeting, therefore, I would now, most respectfully, make that acknowledgment; and with every one, as if with hands joined in mutual greeting, I reciprocate friendly salutation, respect, and good wishes.

But, Gentlemen, although I am well assured of your personal regard, I cannot fail to know, that the times, the political and commercial condition of things which exists amongst us, and an intelligent spirit, awakened to new activity and a new degree of anxiety, have mainly contributed to fill these avenues and crowd these halls. At a moment of difficulty, and of much alarm, you come here as Whigs of New York, to meet one whom you suppose to be bound to you by common principles, and common sentiments, and pursuing, with you, a common object. Gentlemen, I am proud to admit this community of our principles, and this identity of our object. You are for the Constitution of the Country; so am I. You are for the Union of the States; so am I. You are for equal laws, for the equal rights of all men, for constitutional and just restraints on power, for the substance and not the shadowy image only of popular institutions, for a Government which has liberty for its spirit and soul, as well as in its forms; and so am I. You feel that if, in warm party times, the Executive Power is in hands distinguished for boldness, for great success, for perseverance, and other qualities which strike men's minds strongly, there is danger of derangement of the Powers of Government, danger of a new division of those powers, in which the Executive is likely to obtain the Lion's part; and danger of a state of things in which the more popular branches of the Government, instead of being guards and sentinels, against any encroachments from the Executive, seek, rather, support from its patronage, safety against the complaints of the People in its ample and all-protecting favor, and refuge in its power; and so I feel, and so I have felt, for eight long and anxious years.

You believe that a very efficient and powerful cause, in the production of the evils, which now fall on the industrious and commercial classes of the Community, is the derangement of the currency, the destruction of exchanges, and the unnatural and unnecessary *misplacement* of the specie of the country, by unauthorized and illegal Treasury orders. So do I believe. I predicted all this from the beginning, and from before the beginning. I predicted it all, last spring, when that was attempted to be done by law, which was afterwards done by Executive authority; and from the moment of the exercise of that Executive authority, to the present time, I have

both foreseen, and seen, the regular progress of things under it, from inconvenience and embarrassment, to pressure, loss of confidence, disorder, and bankruptcies.

Gentlemen, I mean, on this occasion, to speak my sentiments freely, on the great topics of the day. I have nothing to conceal, and shall therefore conceal nothing. In regard to political sentiments, purposes, or objects, there is nothing in my heart, which I am ashamed of; I shall throw it all open, therefore, to you, and to all men. [That is right, said some one in the crowd — let us have it — with no non-committal.] Yes, my friend (continued Mr. W.) without non-committal or evasion, without barren generalities or empty phrase, without if, or but, without a single touch, in all I say, bearing the oracular character of an Inaugural, I shall, on this occasion, speak my mind plainly, freely, and independently, to men who are just as free to concur, or not to concur, in my sentiments, as I am to utter them. I think you are entitled to hear my opinions freely and frankly spoken; but I freely acknowledge that you are still more clearly entitled to retain, and maintain, your own opinions, however they may differ, or agree with mine.

It is true, Gentlemen, that I have contemplated the relinquishment of my seat in the Senate, for the residue of the term, now two years, for which I was chosen. This resolution was not taken from disgust, or discouragement, although some things have certainly happened which might excite both those feelings. But in popular Governments, men must not suffer themselves to be permanently disgusted, by occasional exhibitions of political harlequinism, or deeply discouraged, although their efforts to awaken the people to what they deem the dangerous tendency of public measures, be not crowned with immediate success. It was altogether from other causes, and other considerations, that after an uninterrupted service of fourteen or fifteen years, I naturally desired a respite. But those, whose opinions I am bound to respect, saw objections to a present withdrawal from Congress; and I have yielded my own strong desire to their convictions of what the public good requires.

Gentlemen, in speaking here on the subjects which now so much interest the Community, I wish, in the outset, to disclaim all personal disrespect towards individuals. He whose character and fortune have exercised such a decisive influence on our politics for eight years, has now retired from public station. I pursue him with no personal reflections, no reproaches. Between him and myself, there has always existed a respectful personal intercourse. Moments have existed, indeed, critical, and decisive upon the general success of his Administration, in which he has been pleased to regard my aid, as not altogether unimportant. I now speak of him, respectfully, as a distinguished soldier, as one, who, in that character, has done the State much service; as a man, too, of strong and

decided character, of unsubdued resolution and perseverance, in whatever he undertakes. In speaking of his civil administration, I speak without censoriousness, or harsh imputation of motives; I wish him health and happiness in his retirement; but I must still speak as I think, of his public measures, and of their general bearing and tendency, not only on the present interests of the country, but also on the well-being and security of the Government itself.

There are, however, some topics of a less urgent present application and importance, upon which I wish to say a few words, before I advert to those, which are more immediately connected with the present distressed state of things.

My learned and highly-valued friend, (Mr. Ogden,) who has addressed me in your behalf, has been kindly pleased to speak of my political career, as being marked by a freedom from local interests and prejudices, and a devotion to liberal and comprehensive views of public policy.

I will not say that this compliment is deserved. I will only say, that I have earnestly endeavored to deserve it. Gentlemen, the General Government, to the extent of its power, is national. It is not consolidated, it does not embrace all powers of government. On the contrary, it is delegated, restrained, strictly limited.

But what powers it does possess, it possesses for the general, not for any partial or local good. It extends over a vast territory, embracing now-six and-twenty States, with interests various, but not irreconcilable, infinitely diversified, but capable of being all blended into political harmony.

He, however, who would produce this harmony must survey the whole field, as if all parts were as interesting to himself, as they are to others, and with that generous, patriotic feeling, prompter and better than the mere dictates of cool reason, which leads him to embrace the whole, with affectionate regard, as constituting, altogether, that object which he is so much bound to respect, to defend, and to love,—his Country. We have around us, and more or less within the influence and protection of the General Government, all the great interests of Agriculture, Navigation, Commerce, Manufactures, the Fisheries, and the Mechanic Arts. The duties of the Government, then, certainly extend over all this territory, and embrace all these vast interests. We have a maritime frontier, a sea-coast, of many thousand miles; and while no one doubts that it is the duty of Government to defend this coast, by suitable military preparations, there are those who yet suppose that the powers of Government stop at this point; and that as to works of peace, and works of improvement, they are beyond our Constitutional limits. I have ever thought otherwise. Congress has a right, no doubt, to declare war, and to raise armies and navies; and it has necessarily the right to build fortifications and batteries, to protect

the coast from the effects of war. But Congress has authority also, and it is its duty, to regulate Commerce, and it has the whole power of collecting duties on imports and tonnage. It must have ports and harbors, and dock-yards, also, for its navies. Very early in the history of the Government, it was decided by Congress, on the report of a highly-respectable committee, that the transfer by the States to Congress of the power of collecting tonnage and other duties, and the grant of the authority to regulate Commerce, charged Congress, necessarily, with the duty of maintaining such piers, and wharves, and light-houses, and of making such improvements, as might have been expected to be done by the States, if they had retained the usual means, by retaining the power of collecting duties on imports. The States, it was admitted, had parted with this power; and the duty of protecting and facilitating Commerce by these means, had passed, along with this power, into other hands. I have never hesitated, therefore, when the state of the Treasury would admit, to vote for reasonable appropriations, for Break-Waters, Light-Houses, Piers, Harbors, and similar improvements on any part of the whole Atlantic Coast, or the Gulf of Mexico, from Maine to Louisiana.

But how stands the inland frontier? How is it, along the vast Lakes, and the mighty Rivers of the North and West? Do our Constitutional rights and duties terminate when the water ceases to be salt? or do they exist, in full vigor, on the shores of these Inland Seas? I never could doubt about this; and yet, Gentlemen, I remember even to have participated in a warm debate, in the Senate, some years ago, upon the Constitutional right of Congress to make an appropriation for a Pier, in the Harbor of Buffalo. What! make a Harbor at Buffalo, where nature never made any, and where therefore it was never intended any ever should be made? Take money from the People, to run out piers from the sandy shores of Lake Erie, or deepen the channels of her shallow Rivers? Where was the Constitutional authority for this? Where would such strides of power stop? How long would the States have any power at all left, if their territory might be ruthlessly invaded for such unhallowed purposes, or how long would the People have any money in their pockets, if the Government of the United States might tax them, at pleasure, for such extravagant projects as these? Piers, wharves, harbors, and break-waters in the Lakes! These arguments, Gentlemen, however earnestly put forth, heretofore, do not strike us with great power, at the present day, if we stand on the shores of Lake Erie, and see hundreds of vessels, with valuable cargoes, and thousands of valuable lives, moving on its waters, with few shelters from the storm, but havens created, or made useful, by the aid of Government. These great Lakes, stretching away many thousands of miles, not in a straight line, but with

turns and deflections, as if designed to reach, by water communication, the greatest possible number of important points, through a region of vast extent, cannot but arrest the attention of any one, who looks upon the map. They lie connected, but variously placed; and interspersed, as if with studied variety of form and direction, over that part of the country. They were made for man, and admirably adapted for his use and convenience. Looking, Gentlemen, over our whole country, comprehending in our survey the Atlantic coast, with its thick population, advanced agriculture, its extended commerce, its manufactures and mechanic arts, its varieties of communication, its wealth, and its general improvements; and looking, then, to the interior, to the immense tracts of fresh, fertile, and cheap lands, bounded by so many lakes, and watered by so many magnificent rivers, let me ask if such a MAP was ever before presented to the eye of any Statesman, as the theatre for the exercise of his wisdom and patriotism? And let me ask, too, if any man is fit to act a part, on such a theatre, who does not comprehend the whole of it, within the scope of his policy, and embrace it all, as his country?

Again, Gentlemen, we are one, in respect to the glorious Constitution under which we live. We are all united in the great brotherhood of American Liberty. Descending from the same ancestors, bred in the same school, taught, in infancy, to imbibe the same general political sentiments, Americans all, by birth, education, and principle, what but a narrow mind, or woful ignorance, or besotted selfishness, or prejudice, ten times ten times blinded, can lead any of us to regard the citizens of any part of the country as strangers and aliens?

The solemn truth, moreover, is before us, that a common political fate attends us all.

Under the present Constitution, wisely and conscientiously administered, all are safe, happy, and renowned. The measure of our Country's fame may fill all our breasts. It is fame enough for us all to partake in *her* glory, if we will carry her character onward to its true destiny. But if the system is broken, its fragments must fall alike on all. Not only the cause of American Liberty, but the grand cause of Liberty throughout the whole earth, depends, in a great measure, on upholding the Constitution and Union of these States. If shattered and destroyed, no matter by what cause, the peculiar and cherished idea of United American Liberty will be no more forever. There may be free States, it is possible, when there shall be separate States. There may be many loose, and feeble, and hostile confederacies, where there is now one great and united Confederacy. But the noble idea of United American Liberty, of *our* Liberty, such as our Fathers established it, will be extinguished forever. Fragments and severed columns of the edifice may be

found remaining ; and melancholy and mournful ruins will they be ; the August Temple itself will be prostrate in the dust. Gentlemen, the Citizens of this Republic cannot sever their fortunes. A common fate awaits us. In the honor of upholding, or in the disgrace of undermining the Constitution, we shall all necessarily partake. Let us then stand by the Constitution, as it is, and by our Country, as it is, one, united, and entire ; let it be a truth engraven on our hearts ; let it be borne on the flag under which we rally, in every exigency, that we have **ONE COUNTRY, ONE CONSTITUTION, ONE DESTINY.**

Gentlemen, of our interior administration, the public lands constitute a highly-important part. This is a subject of great interest, and it ought to attract much more attention than it has hitherto received, especially from the People of the Atlantic States. The public lands are public property. They belong to the People of all the States. A vast portion of them is composed of territories, which were ceded, by individual States, to the United States, after the close of the Revolutionary War, and before the adoption of the present Constitution. The history of these sessions, and the reasons for making them, are familiar. Some of the Old Thirteen possessed large tracts of unsettled lands within their chartered limits. The Revolution had established their title to these lands, and as the Revolution had been brought about by the common treasure and the common blood of all the Colonies, it was thought not unreasonable that these unsettled lands should be transferred to the United States, to pay the debt created by the War, and afterwards to remain as a fund for the use of all the States. This is the well-known origin of the title possessed by the United States to lands north-west of the River Ohio.

By Treaties with France and Spain, Louisiana and Florida, many millions of acres of public unsold land, have been since acquired. The cost of these acquisitions was paid, of course, by the General Government, and was thus a charge upon the whole people. The public lands, therefore, all and singular, are national property ; granted to the United States, purchased by the United States, paid for by all the People of the United States.

The idea, that when a new State is created, the public lands lying within her Territory become the property of such new State in consequence of her sovereignty, is too preposterous for serious refutation. Such notions have heretofore been advanced in Congress, but nobody has sustained them. They were rejected and abandoned, although one cannot say whether they may not be revived in consequence of recent propositions, which have been made in the Senate. The new States are admitted on express conditions, recognizing, to the fullest extent, the right of the United States to the public lands within their borders ; and it is no more

reasonable to contend that some indefinite idea of State sovereignty overrides all these stipulations, and makes the lands the property of the States, against the provisions and conditions of their own Constitution, and the Constitution of the United States, than it would be, that a similar doctrine entitled the State of New York to the moneys collected at the Custom-House in this City ; since it is no more inconsistent with sovereignty that one Government should hold lands, for the purpose of sale, within the territory of another, than it is that it should lay and collect taxes and duties within such Territory. Whatever extravagant pretensions may have been set up, heretofore, there was not, I suppose, an enlightened man in the whole West, who insisted on any such right in the States, when the proposition to cede the lands to the States was made, in the late session of Congress. The public lands being, therefore, the common property of all the people of all the States, I shall never consent to give them away to particular States, or to dispose of them otherwise than for the general good, and the general use of the whole Country.

I felt bound, therefore, on the occasion just alluded to, to resist, at the threshold, a proposition, to cede the public lands to the States in which they lie on certain conditions.

I very much regretted the introduction of such a measure, as its effect must be, I fear, only to agitate what was well settled, and to disturb that course of proceeding in regard to the public lands, which forty years of experience have shown to be so wise, and so satisfactory in its operation, both to the People of the old States, and to those of the new.

But, Gentlemen, although the public lands are not to be given away, or ceded to particular States, a very liberal policy in regard to them ought undoubtedly to prevail. Such a policy has prevailed, and I have steadily supported it, and shall continue to support it so long as I may remain in public life. The main object, in regard to these lands, is undoubtedly to settle them, so fast as the growth of our population, and its augmentation by emigration may enable us to settle them.

The lands, therefore, should be sold, at a low price ; and, for one, I have never doubted the right or expediency of granting portions of the lands themselves, or of making grants of money, for objects of Internal improvements, connected with them.

I have always supported liberal appropriations for the purpose of opening communications, to and through these lands, by common Roads, Canals, and Rail Roads ; and where lands of little value have been long in market, and on account of their indifferent quality are not likely to command the common price, I know no objection to a reduction of price, as to such lands, so that they may pass into private ownership. Nor do I feel any objections, to remove

those restraints which prevent the States from taxing the lands, for five years after they are sold. But while in these and all other respects, I am not only reconciled to a liberal policy, but espouse it and support it, and have constantly done so, I hold, still, the national domain to be the general property of the Country, confided to the care of Congress, and which Congress is solemnly bound to protect and preserve, for the common good.

The benefit derived from the public lands, after all, is, and must be, in the greatest degree, enjoyed by those who buy them and settle upon them. The original price paid to Government constitutes but a small part of their actual value. Their immediate rise in value, in the hands of the settler, gives him competence. He exercises a power of selection, over a vast region of fertile territory, all on sale at the same price, and that price an exceedingly low one. Selection is no sooner made, cultivation is no sooner begun, and the first furrow turned, than he already finds himself a man of property. These are the advantages of western emigrants, and western settlers; and they are such, certainly, as no country on earth ever before afforded to her Citizens. This opportunity of purchase and settlement, this certainty of enhanced value, these sure means of immediate competence and ultimate wealth, all these are the rights and the blessings of the people of the West, and they have my hearty wishes for their full and perfect enjoyment.

I desire to see the public lands cultivated and occupied. I desire the growth and prosperity of the West, and the fullest development of its vast and extraordinary resources. I wish to bring it near to us, by every species of useful communication. I see, not without admiration and amazement, but yet without envy or jealousy, States of recent origin already containing more people than Massachusetts. These people I know to be part of ourselves; they have proceeded from the midst of us, and we may trust that they are not likely to separate themselves, in interest or in feeling, from their kindred, whom they have left on the farms and around the hearths of their common fathers.

A liberal policy, a sympathy with its interests, an enlightened and generous feeling of participation in its prosperity, are due to the West, and will be met, I doubt not, by a return of sentiments equally cordial and equally patriotic.

Gentlemen, the general question of revenue is very much connected with this subject of the public lands, and I will therefore, in a very few words, express my opinions on that point.

The revenue involves, not only the supply of the Treasury with money, but the question of protection to manufactures. On these connected subjects, therefore, gentlemen, as I have promised to keep nothing back, I will state my opinions plainly, but very shortly.

I am in favor of such a revenue as shall be equal to all the just

and reasonable wants of the Government; and I am decidedly opposed to all collection, or accumulation of revenue, beyond this point. An extravagant government expenditure and unnecessary accumulation in the Treasury, are both, of all things else, to be most studiously avoided.

I am in favor of protecting American industry and labor, not only as employed in large manufactories, but also, and more especially, as employed in the various mechanic arts, carried on by persons acting on small capitals, and living by the earnings of their own personal industry. Every City in the Union, and none more than this, would feel severely the consequences of departing from the ancient and continued policy of the Government, respecting this last branch of protection. If duties were to be abolished on hats, boots, shoes, and other articles of leather, and on the articles fabricated of brass, tin, and iron, and on ready-made clothes, carriages, furniture, and many similar articles, thousands of persons would be immediately thrown out of employment in this City, and in other parts of the Union. Protection, in this respect, of our own labor, against the cheaper, ill paid, half fed, and pauper labor of Europe, is, in my opinion, a duty, which the Country owes to its own citizens. I am, therefore, decidedly, for protecting our own industry, and our own labor.

In the next place, Gentlemen, I am of opinion that with no more than usual skill, in the application of the well-tried principles of discriminating and specific duties, all the branches of National Industry may be protected without imposing such duties on imports, as shall overcharge the Treasury.

And as to the Revenues, arising from the sales of the public lands, I am of opinion that they ought to be set apart for the use of the States. The States need the money. The Government of the United States does not need it. Many of the States have contracted large debts, for objects of Internal improvement; and others of them have important objects, which they would wish to accomplish. The lands were originally granted for the use of the several States; and now that their proceeds are not necessary for the purposes of the General Government, I am of opinion that they should go to the States, and to the people of the States, upon an equal principle. Set apart, then, the proceeds of the public lands for the use of the States; supply the Treasury from duties on imports; apply to these duties a just and careful discrimination, in favor of articles produced at home, by our own labor, and thus support, to a fair extent, our own Manufactures. These, Gentlemen, appear to me to be the general outlines of that policy, which the present condition of the country requires us to adopt.

Gentlemen, proposing to express opinions on the principal subjects of interest, at the present moment, it is impossible to overlook

the delicate question, which has arisen, from events which have happened in the late Mexican Province of Texas. The Independence of that Province has now been recognized by the Government of the United States. The Congress gave the President the means, to be used when he saw fit, of opening a diplomatic intercourse with its Government, and the late President immediately made use of those means.

I saw no objection, under the circumstances, to voting an appropriation to be used when the President should think the proper time had come ; and he deemed, certainly very promptly, that the time had already arrived. Certainly, Gentlemen, the history of Texas is not a little wonderful. A very few people, in a very short time, have established a Government for themselves, against the authority of the parent State ; and which Government, it is generally supposed, there is little probability, at the present moment, of the parent State being able to overturn.

This Government is, in form, a copy of our own. It is an American Constitution, substantially after the great American model. We all, therefore, must wish it success ; and there is no one who will more heartily rejoice than I shall, to see an independent community, intelligent, industrious, and friendly towards us, springing up, and rising into happiness, distinction, and power, upon our own principles of Liberty and Government.

But it cannot be disguised, Gentlemen, that a desire, or an intention, is already manifested to annex Texas to the United States. On a subject of such mighty magnitude as this, and at a moment when the public attention is drawn to it, I should feel myself wanting in candor, if I did not express my opinion ; since all must suppose, that on such a question, it is impossible I should be without some opinion.

I say then, Gentlemen, in all frankness, that I see objections, I think insurmountable objections, to the annexation of Texas to the United States. When the Constitution was formed, it is not probable that either its framers, or the people, ever looked to the admission of any States into the Union, except such as then already existed, and such as should be formed out of territories then already belonging to the United States. Fifteen years after the adoption of the Constitution, however, the case of Louisiana arose. Louisiana was obtained by Treaty with France ; who had recently obtained it from Spain ; but the object of this acquisition, certainly, was not mere extension of Territory. Other great political interests were connected with it. Spain, while she possessed Louisiana, had held the mouths of the great rivers which rise in the Western States, and flow into the Gulf of Mexico. She had disputed our use of these rivers, already, and with a powerful nation in possession of these outlets to the sea,

it is obvious that the commerce of all the West was in danger of perpetual vexation. The command of these Rivers to the sea, was, therefore, the great object aimed at in the acquisition of Louisiana. But that acquisition necessarily brought Territory along with it, and three States now exist, formed out of that ancient province.

A similar policy, and a similar necessity, though perhaps not entirely so urgent, led to the acquisition of Florida.

Now, no such necessity, no such policy, requires the annexation of Texas. The accession of Texas to our Territory, is not necessary to the full and complete enjoyment of all which we already possess. Her case therefore stands entirely different from that of Louisiana and Florida. There being then no necessity for extending the limits of the Union, in that direction, we ought, I think, for numerous and powerful reasons, to be content with our present boundaries.

Gentlemen, we all see, that by whomsoever possessed, Texas is likely to be a slave-holding country ; and I frankly avow my entire unwillingness to do any thing which shall extend the Slavery of the African race, on this Continent, or add other slave-holding States to the Union. When I say that I regard slavery in itself as a great moral, social, and political evil, I only use language which has been adopted, by distinguished men, themselves citizens of slave-holding States. I shall do nothing, therefore, to favor or encourage its further extension. We have slavery, already, amongst us. The Constitution found it among us ; it recognized it, and gave it solemn guaranties. To the full extent of these guaranties we are all bound, in honor, in justice, and by the Constitution. All the stipulations, contained in the Constitution, in favor of the slave-holding States which are already in the Union, ought to be fulfilled, and so far as depends on me, shall be fulfilled, in the fulness of their spirit, and to the exactness of their letter. Slavery, as it exists in the States, is beyond the reach of Congress. It is a concern of the States themselves ; they have never submitted it to Congress, and Congress has no rightful power over it. I shall concur therefore in no act, no measure, no menace, no indication of purpose, which shall interfere, or threaten to interfere, with the exclusive authority of the several States, over the subject of Slavery, as it exists within their respective limits. All this appears to me to be matter of plain and imperative duty.

But when we come to speak of admitting new States, the subject assumes an entirely different aspect. Our rights and our duties are then both different.

The free States, and all the States, are then at liberty to accept, or to reject. When it is proposed to bring new members into

this political partnership, the old members have a right to say on what terms such new partners are to come in, and what they are to bring along with them. In my opinion the people of the United States will not consent to bring a new, vastly extensive, and slaveholding Country, large enough for half a dozen or a dozen States, into the Union. In my opinion they ought not to consent to it. Indeed I am altogether at a loss to conceive what possible benefit any part of this Country can expect to derive from such annexation. All benefit, to any part, is at least doubtful and uncertain; the objections obvious, plain, and strong. On the general question of Slavery, a great portion of the community is already strongly excited. The subject has not only attracted attention as a question of Politics, but it has struck a far deeper toned chord. It has arrested the religious feeling of the Country; it has taken strong hold on the consciences of men. He is a rash man, indeed, and little conversant with human nature, and especially has he a very erroneous estimate of the character of the People of this Country, who supposes that a feeling of this kind is to be trifled with, or despised. It will assuredly cause itself to be respected. It may be reasoned with, it may be made willing, I believe it is entirely willing, to fulfil all existing engagements, and all existing duties, to uphold and defend the Constitution, as it is established, with whatever regrets, about some provisions, which it does actually contain. But to coerce it into silence, — to endeavor to restrain its free expression, to seek to compress and confine it, warm as it is, and more heated as such endeavors would inevitably render it, — should all this be attempted, I know nothing, even in the Constitution, or in the Union itself, which would not be endangered by the explosion which might follow.

I see, therefore, no political necessity for the annexation of Texas to the Union; no advantages to be derived from it; and objections to it, of a strong, and in my judgment, decisive character.

I believe it to be for the interest and happiness of the whole Union, to remain as it is, without diminution and without addition.

Gentlemen, I pass to other subjects. The rapid advancement of the Executive authority is a topic which has already been alluded to.

I believe there is serious cause of danger, from this source. I believe the Power of the Executive has increased, is increasing, and ought now to be brought back within its ancient Constitutional limits. I have nothing to do with the motives, which have led to those acts, which I believe to have transcended the boundaries of the Constitution. Good motives may always be assumed, as bad motives may always be imputed. Good intentions will always be pleaded, for every assumption of power; but they cannot justify it, even if we were sure that they existed. It is hardly too strong to

say, that the Constitution was made to guard the people against the dangers of good intention, real or pretended. When bad intentions are boldly avowed, the People will promptly take care of themselves. On the other hand, they will always be asked, why they should resist, or question, that exercise of power, which is so fair in its object, so plausible and patriotic in appearance, and which has the public good alone, confessedly in view? Human beings, we may be assured, will generally exercise power, when they can get it; and they will exercise it most undoubtedly, in popular Governments, under pretences of public safety, or high public interest. It may be very possible, that good intentions do really sometimes exist, when Constitutional restraints are disregarded. There are men, in all ages, who mean to exercise power usefully; but who mean to exercise it. They mean to govern well; but they mean to govern. They promise to be kind masters; but they mean to be masters. They think there need be but little restraint upon themselves. Their notion of the public interest, is apt to be quite closely connected with their own exercise of authority. They may not indeed always understand their own motives. The love of power may sink too deep in their hearts, even for their own scrutiny, and may pass, with themselves, for mere patriotism and benevolence.

A character has been drawn of a very eminent citizen of Massachusetts, of the last age, which, though I think it does not entirely belong to him, yet very well describes a certain class of public men. It was said of this distinguished son of Massachusetts, that in matters of politics and government he cherished the most kind and benevolent feelings towards the whole Earth. He earnestly desired to see all nations well governed; and to bring about this happy result, he wished that the United States might govern the rest of the world; that Massachusetts might govern the United States; that Boston might govern Massachusetts; and as for himself, his own humble ambition would be satisfied by governing the little town of Boston.

I do not intend, Gentlemen, to commit so unreasonable a trespass on your patience, as to discuss all those cases, in which I think Executive power has been unreasonably extended. I shall only allude to some of them, and as being earliest in the order of time, and hardly second to any other in importance, I mention the practice of removal from all offices, high and low, for opinion's sake, and on the avowed ground of giving patronage to the President; that is to say, of giving him the power of influencing men's political opinions, and political conduct, by hopes, and by fears, addressed directly to their pecuniary interests. The great battle on this point, was fought, and was lost, in the Senate of the United States, in the last session of Congress, under Mr. Adams's administration. After General Jackson was known to be elected, and before his

term of office began, many important offices became vacant, by the usual causes of death and resignation. Mr. Adams, of course, nominated persons to fill these vacant offices. But a majority of the Senate was composed of the friends of General Jackson; and instead of acting on these nominations, and filling the vacant offices, with ordinary promptitude, the nominations were postponed, to a day beyond the fourth of March, for the purpose, openly avowed, of giving the patronage of the appointments to the President, who was then coming into office. And when the new President entered on his office, he withdrew these nominations, and sent in nominations of his own friends in their places. I was of opinion then, and am of opinion now, that that decision of the Senate went far to unfix the proper balance of the Government. It conferred on the President the power of rewards for party purposes or personal purposes, without limit or control. It sanctioned, manifestly, and plainly, that exercise of power, which Mr. Madison had said would deserve impeachment; and it completely defeated one great object, which we are told the framers of the Constitution contemplated, in the manner of forming the Senate; that is, that the Senate might be a body, not changing with the election of a President, and therefore likely to be able to hold, over him, some check or restraint, in regard to bringing his own friends and partisans into power with him, and thus rewarding their services to him, at the public expense.

The debates in the Senate, on these questions, were long continued and earnest. They were of course in secret session, but the opinions of those members, who opposed this course, have all been proved true by the result. The contest was severe and ardent, as much so as any that I have ever partaken in; and I have seen some service, in that sort of warfare.

Gentlemen, when I look back to that eventful moment, when I remember who those were, who upheld this claim, for Executive power, with so much zeal and devotion, as well as with such great and splendid abilities, and when I look round, now, and inquire what has become of these gentlemen, where they have found themselves, at last, under the power which they thus helped to establish, what has become, now, of all their respect, trust, confidence, and attachment, how many of them, indeed, have not escaped from being broken and crushed, under the weight of the wheels of that engine which they themselves set in motion, I feel that an edifying lesson may be read, by those, who, in the freshness and fulness of party zeal, are ready to confer the most dangerous power in the hope that they, and their friends, may bask in its sunshine, while enemies only shall be withered by its frown.

I will not go into the mention of names. I will give no enumeration of persons; but I ask you to turn your minds back, and

recollect who the distinguished men were, who supported, in the Senate, General Jackson's administration for the two first years; and I will ask you what you suppose they think, now, of that power, and that discretion, which they so freely confided to Executive hands? What do they think of the whole career of that administration, the commencement of which, and indeed the existence of which, owed so much to their own great exertions?

In addition to the establishment of this power of unlimited and causeless removal, another doctrine has been put forth, more vague, it is true, but altogether unconstitutional, and tending to like dangerous results. In some loose, indefinite, and unknown sense, the President has been called the *Representative of the whole American People*. He has called himself so, repeatedly; and been so denominated by his friends, a thousand times. Acts, for which no specific authority has been found, either in the Constitution or the laws, have been justified on the ground that the President is the Representative of the whole American People. Certainly, this is not constitutional language. Certainly, the Constitution nowhere calls the President the Universal Representative of the People. The Constitutional Representatives of the People are in the House of Representatives, exercising powers of legislation. The President is an executive officer, appointed in a particular manner, and clothed with prescribed and limited powers. It may be thought to be of no great consequence, that the President should call himself, or that others should call him, the sole Representative of all the People, although he has no such appellation or character in the Constitution. But in these matters, words are things. If he is the People's Representative, and as such may exercise power, without any other grant, what is the limit to that power? And what may not an unlimited Representative of the people do?

When the Constitution expressly creates Representatives, as members of Congress, it regulates, defines, and limits their authority.

But if the Executive Chief Magistrate, merely because he is the Executive Chief Magistrate, may assume to himself another character, and call himself the Representative of the whole People, what is to limit or restrain this Representative power in his hands?

I fear, Gentlemen, that if these pretensions should be continued, and justified, we might have many instances of summary political logic, such as I once heard in the House of Representatives. A gentleman, not now living, wished very much to vote for the establishment of a Bank of the United States. But he had always stoutly denied the constitutional power of Congress to create such a Bank. The Country, however, was in a state of great financial distress, from which such an Institution, it was hoped, might help

to extricate it ; and this consideration led the worthy member to review his opinions with care and deliberation. Happily, on such careful and deliberate review, he altered his former judgment. He came, satisfactorily, to the conclusion that Congress might incorporate a Bank. The argument which brought his mind to this result was short, and so plain and obvious, that he wondered how he should so long have overlooked it. The power, he said, to create a Bank, was either given to Congress, or it was not given. Very well. If it was given, Congress of course could exercise it ; if it was not given, the People still retained it, and in that case, Congress, as the Representatives of the People, might, upon an emergency, make free to use it.

Arguments and conclusions in substance like these, Gentlemen, will not be wanting, if men of great popularity, commanding characters, sustained by powerful parties, *and full of good intentions towards the public*, may be permitted to call themselves the Universal Representatives of the People.

But, Gentlemen, it is the *currency*, the currency of the Country, — it is this great subject, so interesting, so vital, to all classes of the community, which has been destined to feel the most violent assaults of Executive Power. The consequences are around us, and upon us. Not unforeseen, not unforetold, here they come, bringing distress for the present, and fear and alarm for the future. If it be denied, that the present condition of things has arisen from the President's interference with the Revenue, the first answer is, that when he did interfere, just such consequences were predicted. It was then said, and repeated, and pressed upon the public attention, that that interference must necessarily produce derangement, embarrassment, loss of confidence, and commercial distress. I pray you, Gentlemen, to recur to the debates of 1832, 1833, and 1834, and then to decide whose opinions have proved to be correct. When the Treasury Experiment was first announced, who supported, and who opposed it ? Who warned the Country against it ? Who were they who endeavored to stay the violence of party, to arrest the hand of Executive authority, and to convince the People, that this Experiment was delusive ; that its object was merely to increase Executive Power, and that its effect, sooner or later, must be injurious and ruinous ?

Gentlemen, it is fair to bring the opinions of political men to the test of experience. It is just to judge of them by their measures, and their opposition to measures ; and for myself, and those political friends with whom I have acted, on this subject of the currency, I am ready to abide the test.

But before the subject of the currency, and its present most embarrassing state, is discussed, I invite your attention, Gentlemen, to the history of Executive proceedings, connected with it.

I propose to state to you a series of facts ; not to argue upon them, not to *mystify* them, not to draw any unjust inference from them ; but merely to state the case, in the plainest manner, as I understand it. And I wish, Gentlemen, that in order to be able to do this, in the best and most convincing manner, I had the ability of my learned friend, (Mr. Ogden,) whom you have all so often heard, and who states his case, usually, in such a manner, that when stated, it is already very well argued.

Let us see, Gentlemen, what the train of occurrences has been, in regard to our revenue and finances ; and when these occurrences are stated, I leave to every man the right to decide for himself, whether our present difficulties have, or have not, arisen from attempts to extend the Executive authority. In giving this detail, I shall be compelled to speak of the late Bank of the United States ; but I shall speak of it historically only. My opinion of its utility, and of the extraordinary ability and success, with which its affairs were conducted, for many years before the termination of its charter, is well known. I have often expressed it, and I have not altered it. But at present I speak of the Bank, only as it makes a necessary part in the history of events, which I wish now to recapitulate.

Mr. Adams commenced his administration in March, 1825. He had been elected by the House of Representatives, and began his career, as President, under a strong and powerful opposition. From the very first day, he was warmly, even violently opposed in all his measures ; and this opposition, as we all know, continued without abatement, either in force or asperity, through his whole term of four years. Gentlemen, I am not about to say whether this opposition was well or ill founded, just or unjust. I only state the fact, as connected with other facts. The Bank of the United States, during these four years of Mr. Adams's administration, was in full operation. It was performing the fiscal duties, enjoined on it by its charter ; it had established numerous offices — was maintaining a large circulation, and transacting a vast business in Exchange. Its character, conduct, and manner of administration, were all well known to the whole country.

Now there are two or three things worthy of especial notice. One is, that during the whole of this heated political controversy, from 1825 to 1829, the Party which was endeavoring to produce a change of administration, brought no charge of political interference against the Bank of the United States. If any thing, it was rather a favorite with the party generally. Certainly, the party, as a party, did not ascribe to it undue attachment to other parties, or to the then existing administration.

Another important fact is, that during the whole of the same period, those who had espoused the cause of General Jackson, and

who sought to bring about a revolution under his name, did not propose the destruction of the Bank, or its discontinuance, as one of the objects, which were to be accomplished by the intended revolution. They did not tell the country that the Bank was unconstitutional; they did not declare it unnecessary; they did not propose to get along without it, when they should come into power themselves. If individuals entertained any such purposes, they kept them much to themselves. The party, as a party, avowed none such. A third fact, worthy of all notice, is, that during this period, there was no complaint about the state of the currency, either by the Country, generally, or by the party then in opposition.

In March, 1829, General Jackson was inaugurated. He came in on professions of Reform. He announced reform of all abuses to be the great and leading object of his future administration; and in his inaugural address he pointed out the main subjects of this reform. But the Bank was not one of them. It was not said the Bank was unconstitutional. It was not said it was unnecessary or useless. It was not said that it had failed to do all that had been hoped or expected from it, in regard to the currency.

In March, 1829, then, the Bank stood well, very well, with the new administration. It was regarded, so far as appears, as entirely constitutional, free from political or party taint, and highly useful. It had, as yet, found no place in the catalogue of abuses to be reformed.

But, Gentlemen, nine months wrought a wonderful change. New lights broke forth, before these months had rolled away; and the President, in his message to Congress, in December, 1829, held very different language, and manifested very different purposes.

Although the Bank had then five or six years of its charter unexpired, he yet called the attention of Congress, very pointedly, to the subject, and declared—

1. That the constitutionality of the Bank was well doubted by many;

2. That its utility or expediency was also well doubted;

3. That all must admit that it had failed in undertaking to establish or maintain a sound and uniform currency; and,

4. That the true Bank for the use of the Government of the United States, would be a Bank, which should be founded on the revenues and credit of the Government itself.

These propositions appeared to me, at the time, as very extraordinary, and the last one as very startling. A Bank, founded on the revenue and credit of the Government, and managed and administered by the Executive, was a conception, which I had supposed no man, holding the Chief Executive Power in his own hands, would venture to put forth.

But the question now is, what had wrought this great change

of feeling and of purpose in regard to the Bank. What events had occurred, between March and December, that should have caused the Bank, so constitutional, so useful, so peaceable, and so safe an institution, in the first of these months, to start up into the character of a monster, and become so horrid and dangerous, in the last?

Gentlemen, let us see what the events were, which had intervened.

General Jackson was elected in December, 1828. His term was to begin in March, 1829. A session of Congress took place, therefore, between his election and the commencement of his administration.

Now, Gentlemen, the truth is, that during this session, and a little before the commencement of the new administration, a disposition was manifested by political men to interfere with the management of the Bank. Members of Congress undertook to nominate or recommend individuals as Directors in the Branches, or offices, of the Bank. They were kind enough, sometimes, to make out whole lists, or tickets, and to send them to Philadelphia, containing the names of those whose appointments would be satisfactory to General Jackson's friends. Portions of the correspondence, on these subjects, have been published in some of the voluminous reports and other documents, connected with the Bank, but perhaps have not been generally heeded or noticed. At first, the Bank merely declined, as gently as possible, complying with these and similar requests. But like applications began to show themselves from many quarters, and a very marked case arose as early as June, 1829. Certain members of the Legislature of New Hampshire applied for a change in the Presidency of the Branch, which was established in that State. A member of the Senate of the United States, wrote, both to the President of the Bank, and to the Secretary of the Treasury, strongly recommending a change, and, in his letter to the Secretary, hinting very distinctly at political considerations, as the ground of the movement. Other officers in the service of the Government took an interest in the matter, and urged a change; and the Secretary himself wrote to the Bank, suggesting and recommending it. The time had come, then, for the Bank to take its position. It did take it; and, in my judgment, if it had not acted as it did act, not only would those who had the care of it, been most highly censurable, but a claim would have been yielded to, entirely inconsistent with a government of laws, and subversive of the very foundations of Republicanism.

A long correspondence between the Secretary of the Treasury and the President of the Bank ensued. The Directors determined that they would not surrender either their rights or their duties to the control or supervision of the Executive Government. They

said they had never appointed Directors of their Branches on political grounds, and they would not remove them on such grounds. They had avoided politics. They had sought for men of business, capacity, fidelity, and experience in the management of pecuniary concerns. They owed duties, they said, to the Government, which they meant to perform, faithfully and impartially, under all administrations; and they owed duties to the stockholders of the Bank, which required them to disregard political considerations in their appointments. This correspondence ran along into the fall of the year, and finally terminated in a stern and unanimous declaration, made by the Directors, and transmitted to the Secretary of the Treasury, that the Bank would continue to be independently administered, and that the Directors, once for all, refused to submit to the supervision of the Executive authority, in any of its branches, in the appointment of local directors and agents. This resolution decided the character of the future. Hostility towards the Bank, thenceforward, became the settled policy of the Government; and the message of December, 1829, was the clear announcement of that policy. If the Bank had appointed those Directors, thus recommended by members of Congress; if it had submitted all its appointments to the supervision of the Treasury; if it had removed the President of the New Hampshire Branch; if it had, in all things, showed itself a complying, political, party machine, instead of an independent institution; — if it had done this, I leave all men to judge whether such an entire change of opinion, as to its constitutionality, its utility, and its good effects on the currency, would have happened between March and December.

From the moment in which the Bank asserted its independence of Treasury control, and its elevation above mere party purposes, down to the end of its charter, and down even to the present day, it has been the subject, to which the selectest phrases of party denunciation have been plentifully applied.

But Congress manifested no disposition to establish a Treasury Bank. On the contrary, it was satisfied, and so was the country, most unquestionably, with the Bank then existing. In the summer of 1832, Congress passed an act for continuing the charter of the Bank, by strong majorities in both Houses. In the House of Representatives, I think, two thirds of the members voted for the Bill. The President gave it his negative; and as there were not two thirds of the Senate, though a large majority were for it, the Bill failed to become a law.

But it was not enough that a continuance of the charter of the Bank was thus refused. It had the Deposit of the public money, and this it was entitled to by law, for the few years which yet remained of its chartered term. But this it was determined it should not enjoy. At the commencement of the session of 1832-3, a

grave and sober doubt was expressed by the Secretary of the Treasury, in his official communication, whether the public moneys were safe in the custody of the Bank! I confess, Gentlemen, when I look back to this suggestion, thus officially made, so serious in its import, so unjust, if not well founded, and so greatly injurious to the credit of the Bank, and injurious, indeed, to the credit of the whole country, I cannot but wonder that any man of intelligence and character should have been willing to make it. I read in it, however, the first lines of another chapter. I saw an attempt was now to be made to remove the Deposits, and such an attempt was made that very session. But Congress was not to be prevailed upon to accomplish the end by its own authority. It was well ascertained that neither House would consent to it. The House of Representatives, indeed, at the heel of the session, decided against the proposition by a very large majority.

The Legislative authority having been thus invoked, and invoked in vain, it was resolved to stretch farther the long arm of Executive power, and by that arm to reach and strike the victim. It so happened that I was in this city in May, 1833, and here learned, from a very authentic source, that the Deposits would be removed by the President's order; and in June, as afterwards appeared, that order was given.

Now it is obvious, Gentlemen, that thus far the changes in our financial and fiscal system were effected, not by Congress, but by the Executive; not by law, but by the will and the power of the President. Congress would have continued the charter of the Bank; but the President negatived the Bill. Congress was of opinion that the Deposits ought not to be removed; but the President removed them. Nor was this all. The public moneys being withdrawn from the custody which the law had provided, by Executive power alone, that same power selected the places for their future keeping. Particular Banks, existing under State charters, were chosen. With these, especial and particular arrangements were made, and the public moneys were deposited in their vaults. Henceforward these selected Banks were to operate on the revenue and credit of the Government; and thus the original scheme, promulgated in the Annual Message of December, 1829, was substantially carried into effect. Here were Banks chosen by the Treasury; all the arrangements made with them, made by the Treasury; a set of duties prescribed to be performed by them to the Treasury; and these Banks were to hold the whole proceeds of the public revenue. In all this Congress had neither part nor lot. No law had caused the removal of the Deposits; no law had authorized the selection of Deposit State Banks; no law had prescribed the terms, on which the revenues should be placed in such Banks. From the beginning of the chapter to the end, it was

all Executive Edict. And, now, Gentlemen, I ask if it be not most remarkable, that in a country professing to be under a Government of laws, such great and important changes in one of its most essential and vital interests, should be brought about without any change of law, without any enactment of the Legislature whatever? Is such a power trusted to the Executive of any Government, in which the Executive is separated, by clear and well-defined lines, from the Legislative Department? The currency of the country stands on the same general ground as the commerce of the country. Both are intimately connected, and both are subjects of legal, not of Executive, regulation.

It is worthy of notice, that the writers of the *Federalist*, in discussing the powers which the Constitution conferred on the President, made it matter of commendation, that it withdraws this subject altogether from his grasp. "He can prescribe no rules," say they, "concerning the commerce or *currency* of the country." And so we have been all taught to think, under all former administrations. But we have now seen, that the President, and the President alone, does prescribe the rule concerning the currency. He makes it, and he alters it. He makes one rule for one branch of the revenue, and another rule for another. He makes one rule for the citizen of one State, and another for the citizen of another State. This, it is certain, is one part of the Treasury order of July last.

But at last Congress interfered, and undertook to regulate the Deposits of the public moneys. It passed the law of July, 1836, placing the subject under legal control, restraining the power of the Executive, subjecting the Banks to liabilities and duties, on the one hand, and securing them against Executive favoritism on the other. But this law contained another important provision; which was, that all the money in the Treasury, beyond what was necessary for the current expenditures of the Government, should be deposited with the States. This measure passed both Houses by very unusual majorities, yet it hardly escaped a veto. It obtained only a cold assent, a slow, reluctant and hesitating approval; and an early moment was seized to array against it a long list of objections. But the law passed. The money in the Treasury, beyond the sum of five millions, was to go to the States; it has so gone, and the Treasury for the present is relieved from the burden of a surplus. But now observe other coincidences. In the Annual Message of December, 1835, the President quoted the fact of the rapidly-increasing sale of the Public Lands as proof of high national prosperity. He alluded to that subject, certainly with much satisfaction, and apparently in something of the tone of exultation. There was nothing said about monopoly, not a word about speculation, not a word about over-issues of paper, to pay for the lands.

All was prosperous, all was full of evidence of a wise administration of Government, all was joy and triumph.

But the idea of a deposit or distribution of the surplus money with the people, suddenly damped this effervescing happiness. The color of the rose was gone, and every thing now looked gloomy and black. Now no more felicitation or congratulation, on account of the rapid sales of the Public Lands; no more of this most decisive proof of national prosperity and happiness. The Executive muse takes up a melancholy strain. She sings of monopolies, of speculation, of worthless paper, of loss both of land and money, of the multiplication of Banks, and the danger of paper issues; and the end of the canto, the catastrophe, is that lands shall no longer be sold but for gold and silver alone. The object of all this is clear enough. It was to diminish the income from the public lands. But no desire for such a diminution had been manifested, so long as the money was supposed to be likely to remain in the Treasury. But a growing conviction that some other disposition must be made of the surplus, awakened attention to the means of preventing that surplus.

Toward the end of the last session, Gentlemen, a proposition was brought forward in Congress for such an alteration of the law, as should admit payment for Public Lands to be made in nothing but gold and silver. The mover voted for his own proposition; but I do not recollect that any other member concurred in the vote. The proposition was rejected at once; but, as in other cases, that which Congress refused to do, the Executive power did. Ten days after Congress adjourned, having had this matter before it, and having refused to act upon it, by making any alteration in the existing laws, a Treasury order was issued, commanding that very thing to be done, which Congress had been requested to do, and had refused to do. Just as in the case of the removal of the Deposits, the Executive power acted, in this case also, against the known, well understood, and recently expressed will of the Representatives of the People. There never has been a moment when the Legislative will would have sanctioned the object of that order. Probably never a moment in which any twenty individual members of Congress would have concurred in it. The act was done, without the assent of Congress, and against the well-known opinion of Congress. That act altered the law of the land, or purported to alter it, against the well-known will of the law-making power.

For one, I confess, I see no authority whatever in the Constitution, or in any law, for this Treasury order. Those who have undertaken to maintain it, have placed it on grounds not only different, but inconsistent and contradictory. The reason which one gives, another rejects; one confutes what another argues. With one it is the joint resolution of 1816 which gave the authority;

with another it is the law of 1820 ; with a third it is the general superintending power of the President ; and this last argument, since it resolves itself into mere power, without stopping to point out the sources of that power, is not only the shortest, but in truth the most just. He is the most sensible, as well as the most candid reasoner, in my opinion, who places this Treasury order on the ground of the pleasure of the Executive, and stops there. I regard the joint Resolution of 1816 as mandatory ; as prescribing a legal rule ; as putting this subject, in which all have so deep an interest, beyond the caprice, or the arbitrary pleasure, or the discretion of the Secretary of the Treasury. I believe there is not the slightest legal authority, either in that officer, or in the President, to make a distinction, and to say that paper may be received for debts at the Custom House, but that gold and silver only shall be received at the Land Offices. And now for the sequel.

At the commencement of the last session, as you know, Gentlemen, a Resolution was brought forward in the Senate, for annulling and abrogating this order, by Mr. Ewing, a gentleman of much intelligence, of sound principles, of vigorous and energetic character, whose loss from the service of the country, I regard as a public misfortune. The Whig members all supported this Resolution, and all the members, I believe, with the exception of some five or six, were very anxious, in some way, to get rid of the Treasury order. But Mr. Ewing's Resolution was too direct. It was deemed a pointed and ungracious attack on Executive policy. Therefore it must be softened, modified, qualified, made to sound less harsh to the ears of men in power, and to assume a plausible, polished, inoffensive character. It was accordingly put into the plastic hands of friends of the Executive to be moulded and fashioned, so that it might have the effect of ridding the country of the obnoxious order, and yet not appear to question Executive infallibility. All this did not answer. The late President is not a man to be satisfied with soft words ; and he saw in the measure, even as it passed the two Houses, a substantial repeal of the order. He is a man of boldness and decision ; and he respects boldness and decision in others. If you are his friend, he expects no flinching ; and if you are his adversary, he respects you none the less, for carrying your opposition to the full limits of honorable warfare. Gentlemen, I most sincerely regret the course of the President, in regard to this bill, and certainly most highly disapprove it. But I do not suffer the mortification of having attempted to disguise and garnish it, in order to make it acceptable, and of still finding it thrown back in my face. All that was obtained by this ingenious, diplomatic, and over-courteous mode of enacting a law, was a response from the President and the Attorney General, that the Bill in question was obscure, ill-penned, and not easy to be understood. The Bill therefore was neither

approved, nor negatived. If it had been approved, the Treasury order would have been annulled, though in a clumsy and objectionable manner. If it had been negatived, and returned to Congress, no doubt it would have been passed by two thirds of both Houses, and in that way become a law, and abrogated the order. But it was not approved, it was not returned; it was retained. It had passed the Senate in season; it had been sent to the House in season; but there it was suffered to lie so long without being called up, that it was completely in the power of the President, when it finally passed that body; since he is not obliged to return Bills, which he does not approve, if not presented to him ten days before the end of the Session. The Bill was lost, therefore, and the Treasury order remains in force. Here again the Representatives of the People, in both Houses of Congress, by majorities almost unprecedented, endeavored to abolish this obnoxious order. On hardly any subject, indeed, has opinion been so unanimous, either in or out of Congress. Yet the order remains.

And now, Gentlemen, I ask you, and I ask all men who have not voluntarily surrendered all power and all right of thinking for themselves, whether, from 1832 to the present moment, the Executive authority has not effectually superseded the power of Congress, thwarted the will of the Representatives of the People, and even of the People themselves, and taken the whole subject of the currency into its own grasp? In 1832, Congress desired to continue the Bank of the United States, and a majority of the People desired it also; but the President opposed it, and his will prevailed. In 1833, Congress refused to remove the Deposits; the President resolved upon it, however, and his will prevailed. Congress has never been willing to make a Bank, founded on the money and credit of the Government, and administered, of course, by Executive hands; but this was the President's object, and he attained it, in a great measure, by the Treasury selection of Deposit Banks. In this particular, therefore, to a great extent, his will prevailed. In 1836, Congress refused to confine the receipts for public lands to gold and silver; but the President willed it, and his will prevailed. In 1837, both Houses of Congress, by more than two thirds, passed a Bill for restoring the former state of things by annulling the Treasury order; but the President willed, notwithstanding, that the order should remain in force, and his will again prevailed. I repeat the question, therefore, and I would put it earnestly to every intelligent man, to every lover of our Constitutional Liberty — are we under the dominion of the Law? or has the effectual government of the Country, at least in all that regards the great interest of the currency, been in a single hand?

Gentlemen, I have done with the narrative of events and measures. I have done with the history of these successive steps, in

the progress of Executive power, towards a complete control over the revenue and the currency.

The result is now all before us. These pretended reforms, these extraordinary exercises of power from an extraordinary zeal for the good of the People, — what have they brought us to?

In 1829, the currency was declared to be *neither sound nor uniform*: a proposition, in my judgment, altogether at variance with the fact, because I do not believe there ever was a country, of equal extent, in which paper formed any part of the circulation, that possessed a currency so sound, so uniform, so convenient, and so perfect in all respects, as the currency of this Country, at the moment of the delivery of that message, in 1829.

But how is it now? Where has the improvement brought it? What has reform done? What has the great cry for hard money accomplished? Is the currency *uniform* now? Is money in New Orleans now as good, or nearly so, as money in New York? Are exchanges at par, or only at the same low rates as in 1829 and other years? Every one here knows that all the benefits of this experiment are but injury and oppression; all this reform, but aggravated distress.

And as to the *soundness* of the currency, how does that stand? Are the causes of alarm less now than in 1829? Is there less Bank paper in circulation? Is there less fear of a general catastrophe? Is property more secure, or industry more certain of its reward? We all know, Gentlemen, that during all this pretended warfare against all Banks, Banks have vastly increased. Millions upon millions of Bank paper have been added to the circulation. Every where, and no where so much as where the present administration, and its measures, have been most zealously supported, Banks have multiplied under State authority, since the decree was made that the Bank of the United States should be suffered to expire. Look at Mississippi, Missouri, Louisiana, Virginia, and other States. Do we not see that Banking capital and Bank paper are enormously increasing? The opposition to Banks, therefore, so much professed, whether it be real, or whether it be but pretended, has not restrained either their number or their issues of paper. Both have vastly increased.

And now a word or two, Gentlemen, upon this hard-money scheme, and the fancies, and the delusions, to which it has given birth. Gentlemen, this is a subject of delicacy, and one which it is difficult to treat with sufficient caution, in a popular and occasional address like this. I profess to be a *bullionist*, in the usual and accepted sense of that word. I am for a solid specie basis for our circulation, and for specie as a part of the circulation, so far as it may be practicable and convenient. I am for giving no value to paper, merely as paper. I abhor paper; that is to say, irredeemable

paper, paper that may not be converted into gold or silver at the will of the holder. But while I hold to all this, I believe, also, that an exclusive gold and silver circulation is an utter impossibility in the present state of this country, and of the world. We shall none of us ever see it; and it is credulity and folly, in my opinion, to act under any such hope or expectation. The States will make Banks, and these will issue paper; and the longer the Government of the United States neglects its duty in regard to measures for regulating the currency, the greater will be the amount of Bank paper, overspreading the country. Of this I entertain not a particle of doubt.

While I thus hold to the absolute and indispensable necessity of gold and silver, as the foundation of our circulation, I yet think nothing more absurd and preposterous, than unnatural and strained efforts to import specie. There is but so much specie in the world, and its amount cannot be greatly or suddenly increased. Indeed there are reasons for supposing that its amount has recently diminished, by the quantity used in manufactures, and by the diminished products of the mines. The existing amount of specie, however, must support the paper circulations, and the systems of currency, not of the United States only, but of other nations also. One of its great uses is to pass from country to country, for the purpose of settling occasional balances in commercial transactions. It always finds its way, naturally and easily, to places where it is needed for these uses. But to take extraordinary pains to bring it, where the course of trade does not bring it, where the state of debt and credit does not require it to be, and then to endeavor, by unnecessary and injurious regulations, Treasury orders, accumulations at the Mint, and other contrivances, there to retain it, is a course of policy, bordering, as it appears to me, on political insanity. It is boasted that we have seventy-five or eighty millions of specie now in the country. But what more senseless, what more absurd than this boast, if there is a balance against us abroad, of which payment is desired, sooner than remittances of our own products are likely to make that payment? What more miserable than to boast of having that, which is not ours, — which belongs to others, and which the convenience of others, and our own convenience also, requires that they should possess? If Boston were in debt to New York, would it be wise in Boston, instead of paying its debt, to contrive all possible means of obtaining specie from the New York Banks, and hoarding it at home? And yet this, as I think, would be precisely as sensible as the course, which the Government of the United States at present pursues. We have, without all doubt, a great amount of specie in the country, but it does not answer its accustomed end, it does not perform its proper duty. It neither goes abroad to settle

balances against us, and thereby quiet those who have demands upon us ; nor is it so disposed of at home, as to sustain the circulation, to the extent which the circumstances of the times require. A great part of it is in the western Banks, in the Land Offices, on the roads through the Wilderness, on the passages over the Lakes, from the Land Offices to the Deposit Banks, and from the Deposit Banks back to the Land Offices. Another portion is in the hands of buyers and sellers of specie ; of men in the West, who sell Land Office money to the new settlers for a high premium. Another portion, again, is kept in private hands, to be used when circumstances shall tempt to the purchase of lands. And, Gentlemen, I am inclined to think, so loud has been the cry about hard money, and so sweeping the denunciation of all paper, that private holding, or hoarding, prevails to some extent, in different parts of the country. These eighty millions of specie, therefore, really do us little good. We are weaker in our circulation, I have no doubt, our credit is feeblener, money is scarcer with us, at this moment, than if twenty millions of this specie were shipped to Europe, and general confidence thereby restored.

Gentlemen, I will not say, that some degree of pressure might not have come upon us, if the Treasury order had not issued. I will not say, that there has not been over-trading, and over-production, and a too great expansion of Bank circulation. This may all be so, and the last-mentioned evil, it was easy to foresee, was likely to happen, when the United States discontinued their own Bank. But what I do say is, that acting upon the state of things as it actually existed, and is now actually existing, the Treasury order has been, and now is, productive of great distress. It acts upon a state of things, which gives extraordinary force to its stroke, and extraordinary point to its sting. It arrests specie, when the free use and circulation of specie are most important ; it cripples the Banks, at a moment when the Banks, more than ever, need all their means. It makes the merchant unable to remit, when remittance is necessary for his own credit, and for the general adjustment of commercial balances. I am not now discussing the general question, whether prices must not come down, and adjust themselves, anew, to the amount of bullion, existing, in Europe and America. I am dealing only with the measures of our own Government, on the subject of the currency, and I insist that these measures have been most unfortunate, and most ruinous on the ordinary means of our circulation, at home, and on our ability of remittance abroad.

Their effects, too, by deranging and misplacing the specie, which is in the country, are most disastrous on domestic exchanges. Let him who has lent an ear to all these promises of a more uniform currency, see how he can now sell his draft on New Orleans, or

Mobile. Let the northern manufacturers and mechanics, those who have sold the products of their labor to the South, and heretofore realized the prices, with little loss of exchange, let them try present facilities. Let them see what reform of the currency has done for them. Let them inquire whether, in this respect, their condition is better or worse than it was five or six years ago.

Gentlemen, I hold this disturbance of the measure of value, and the means of payment and exchange, this derangement, and, if I may so say, this violation of the currency, to be one of the most unpardonable of political faults. He who tampers with the currency, robs labor of its bread. He panders, indeed, to greedy capital, which is keen-sighted, and may shift for itself; but he beggars labor, which is honest, unsuspecting, and too busy with the present to calculate for the future. The prosperity of the working classes lives, moves, and has its being in established credit and a steady medium of payment. All sudden changes destroy it. Honest industry never comes in for any part of the spoils in that scramble, which takes place, when the currency of a country is disordered. Did wild schemes and projects ever benefit the industrious? Did irredeemable Bank paper ever enrich the laborious? Did violent fluctuations ever do good to him, who depends on his daily labor for his daily bread? Certainly never. All these things may gratify greediness for sudden gain, or the rashness of daring speculation; but they can bring nothing but injury and distress to the homes of patient industry and honest labor. Who are they that profit by the present state of things? They are not the many, but the few. They are speculators, brokers, dealers in money, and lenders of money at exorbitant interest. Small capitalists are crushed, and their means, being dispersed, as usual, in various parts of the country, and this miserable policy having destroyed exchanges, they have no longer either money or credit. And all classes of labor partake, and must partake, in the same calamity. And what consolation for all this is it, that the public lands are paid for in specie? That whatever embarrassment and distress pervade the country, the western wilderness is thickly sprinkled over with eagles and dollars? That gold goes weekly from Milwauckie and Chicago to Detroit, and back again from Detroit to Milwauckie and Chicago, and performs similar feats of egress and regress, in many other instances, in the Western States? It is remarkable enough, that with all this sacrifice of general convenience, with all this sky-rending clamor for government payments in specie, Government, after all, never gets a dollar. So far as I know, the United States have not now a single specie dollar in the world. If they have, where is it? The gold and silver collected at the Land Offices is sent to the Deposit Banks; it is there placed to the credit of the Government, and thereby

becomes the property of the Bank. The whole revenue of the Government, therefore, after all, consists in mere Bank credits ; that very sort of security, which the friends of the administration have so much denounced.

Remember, Gentlemen, in the midst of this deafening din against all Banks, that if it shall create such a panic, or such alarm, as shall shut up the Banks, it will shut up the Treasury of the United States also.

Gentlemen, I would not willingly be a prophet of ill. I most devoutly wish to see a better state of things ; and I believe the repeal of the Treasury order would tend, very much, to bring about that better state of things. And I am of opinion, Gentlemen, that the order will be repealed. I think it must be repealed. I think the East, West, North, and South will demand its repeal. But, Gentlemen, I feel it my duty to say, that if I should be disappointed in this expectation, I see no immediate relief to the distresses of the community. I greatly fear, even, that the worst is not yet. I look for severer distresses ; for extreme difficulties in exchange ; for far greater inconveniences in remittance, and for a sudden fall in prices. Our condition is one, which is not to be tampered with, and the repeal of the Treasury order, being something which Government can do, and which will do good, the public voice is right in demanding that repeal. It is true, if repealed now, the relief will come late. Nevertheless its repeal or abrogation is a thing to be insisted on, and pursued, till it shall be accomplished. This Executive control over the currency, this power of discriminating, by Treasury order, between one man's debt and another man's debt, is a thing not to be endured in a free country ; and it should be the constant, persisting demand of all true Whigs, — " Rescind the illegal Treasury order, restore the rule of the law, place all branches of the Revenue on the same grounds, make men's rights equal, and leave the Government of the Country, where the Constitution leaves it, in the hands of the Representatives of the People in Congress." This point should never be surrendered or compromised. Whatever is established, let it be equal, and let it be legal. Let men know, to-day, what money may be required of them to-morrow. Let the rule be open and public, on the pages of the Statute Book, not a secret, in the Executive breast.

Gentlemen, in the session which has now just closed, I have done my utmost to effect a direct and immediate repeal of the Treasury order.

I have voted for a Bill, anticipating the payment of the French and Neapolitan Indemnities, by an advance from the Treasury.

I have voted with great satisfaction for the restoration of duties on goods destroyed in the great conflagration in this City.

I have voted for a deposit, with the States, of the surplus which may be in the Treasury at the end of the year. All these measures have failed; and it is for you, and for our fellow-citizens throughout the country, to decide whether the public interest would, or would not, have been promoted by their success.

But I find, Gentlemen, that I am committing an unpardonable trespass on your indulgent patience. I will pursue these remarks no further. And yet I cannot persuade myself to take leave of you without reminding you, with the utmost deference and respect, of the important part assigned to you in the political concerns of your country, and of the great influence of your opinions, your example, and your efforts, upon the general prosperity and happiness.

Whigs of New York! Patriotic Citizens of this great metropolis! Lovers of Constitutional Liberty, bound by interest and by affection to the Institutions of your Country, Americans in heart and in principle!— You are ready, I am sure, to fulfil all the duties imposed upon you by your situation, and demanded of you by your country. You have a central position; your City is the point from which intelligence emanates, and spreads in all directions, over the whole land. Every hour carries reports of your sentiments and opinions to the verge of the Union. You cannot escape the responsibility, which circumstances have thrown upon you. You must live and act, on a broad and conspicuous theatre, either for good or for evil, to your Country. You cannot shrink away from your public duties; you cannot obscure yourselves, nor bury your talent. In the common welfare, in the common prosperity, in the common glory of Americans, you have a stake, of value not to be calculated. You have an interest in the preservation of the Union, of the Constitution, and of the true principles of the Government, which no man can estimate. You act for yourselves, and for the generations that are to come after you; and those who, ages hence, shall bear your names, and partake your blood, will feel, in their political and social condition, the consequences of the manner in which you discharge your political duties.

Having fulfilled then, on your part and on mine, though feebly and imperfectly on mine, the offices of kindness and mutual regard, required by this occasion, shall we not use it to a higher and nobler purpose? Shall we not, by this friendly meeting, refresh our patriotism, rekindle our love of Constitutional Liberty, and strengthen our resolutions of public duty? Shall we not, in all honesty and sincerity, with pure and disinterested love of Country, as Americans, looking back to the renown of our ancestors, and looking forward to the interests of our posterity, here, to-night, pledge our mutual faith, to hold on, to the last, to our professed principles, to the doctrines of true liberty, and to the Constitution of the Coun-

try, let who will prove true, or who will prove recreant? Whigs of New York! I meet you in advance, and give you my pledge, for my own performance of these duties, without qualification and without reserve. Whether in public life or in private life, in the Capitol or at home, I mean never to desert them. I mean never to forget that I have a country, to which I am bound by a thousand ties; and the stone which is to lie on the ground that shall cover me, shall not bear the name of a son ungrateful to his native land.

SPEECH

DELIVERED MAY 17, 1837, AT THE DINNER GIVEN BY THE
CITIZENS OF WHEELING, VIRGINIA.

The following Toast having been presented,

OUR DISTINGUISHED GUEST. — His manly and untiring, though unsuccessful efforts to sustain the supremacy of the Constitution and the Laws, against the encroachments of Executive power, and to avert the catastrophe that now impends over the country, have given him a new claim to the gratitude of his countrymen, and added a new lustre to that fame which was already imperishably identified with the history of our institutions.

Mr. WEBSTER rose and responded, in substance, as follows:—

MR. CHAIRMAN AND FELLOW-CITIZENS: — I cannot be indifferent to the manifestations of regard with which I have been greeted by you, nor can I suffer any show of delicacy to prevent me from expressing my thanks for your kindness.

I travel, Gentlemen, for the purpose of seeing the country, and of seeing what constitutes the important part of every country, the people. I find every where much to excite, and much to gratify admiration; and the pleasure I experience is only diminished by remembering the unparalleled state of distress which I have left behind me, and the apprehensions, rather than the feeling, of severe evils, which I find to exist wherever I go.

I cannot enable those who have not witnessed it to comprehend the full extent of the suffering in the eastern cities. It was painful, indeed, to behold it. So many bankruptcies among great and small dealers, so much property sacrificed, so many industrious men altogether broken up in their business, so many families reduced from competence to want, so many hopes crushed, so many happy prospects forever clouded, and such fearful looking for still greater calamities, — all form such a mass of evil as I had never expected to see, except as the result of war, a pestilence, or some other external calamity.

I have no wish, in the present state of things, nor should I have, indeed, if the state of things was different — to obtrude the expression of my political sentiments on such of my fellow-citizens as I may happen to meet; nor, on the other hand, have I any motive for concealing them, or suppressing their expression, whenever

others desire that I should make them known. Indeed, on the great topics that now engage public attention, I hope I may flatter myself that my opinions are already known.

Recent evils have not at all surprised me, except that they have come sooner and faster than I had anticipated. But, though not surprised, I am afflicted — I feel any thing but pleasure in this early fulfilment of my own predictions. Much injury is done, which the wisest future counsels can never repair, and much more that can never be remedied but by such counsels and by the lapse of time. From 1832 to the present moment, I have foreseen this result. I may safely say I have foreseen it, because I have presented and proclaimed its approach in every important discussion and debate in the public body of which I am a member. In 1832, I happened to meet with a citizen of Wheeling, now present, who this day reminded me of what I then anticipated, as the result of the measures which the administration appeared to be forming in regard to the currency. In the summer of the next year, 1833, I was here, and suggested to friends what I knew to be resolved upon by the Executive, viz. the removal of the deposits, which was announced two months afterwards. That was the avowed and declared commencement of the “experiment.” You know, Gentlemen, the obloquy then and since cast upon those of us who opposed this “experiment.” You know that we have been called Bank agents, Bank advocates, Bank hirelings. You know that it has been a thousand times said that the experiment worked admirably, that nothing could do better, that it was the highest possible evidence of the political wisdom and sagacity of its contrivers: and none opposed it or doubted its efficiency but the wicked or the stupid. Well, Gentlemen, here is the end, if this is the end of this notable “experiment.” Its singular wisdom has come to this — its fine workings have wrought out an almost general bankruptcy.

Its lofty promises, its grandeur, its flashes, that threw other men's sense and understanding back into the shade, where are they now? Here is the “fine of fines and the recovery of recoveries.” Its panics, its scoffs, its jeers, its jests, its gibes at all former experience, — its cry of “a new policy,” which was so much to delight and astonish mankind, — to this conclusion has it come, at last:

“But yesterday, it stood against the world;
Now lies it there, and none so poor to do it reverence.”

It is with no feelings of boasting or triumph, it is with no disposition to arrogate superior wisdom or discernment, but it is with mortification, with humiliation, with unaffected grief and affliction, that I contemplate the condition of difficulty and distress to which this country, so vigorous, so great, so enterprising, and so rich in internal wealth, has been brought by the policy of her government

We learn to-day that most of the eastern banks have stopped payment — deposit banks as well as others. The experiment has exploded. That bubble, which so many of us have all along regarded as the offspring of conceit, presumption, and political quackery, has burst. A general suspension of payment must be the result; a result which has come even sooner than was predicted. Where is now that better currency that was promised? Where is that specie circulation? Where are those rivers of gold and silver, which were to fill the treasury of the government, as well as the pockets of the people? Has the government a single hard dollar? Has the treasury any thing in the world but credit and deposits in banks that have already suspended payment? How are public creditors now to be paid in specie? How are the deposits, which the law requires to be made with the States on the first of July, now to be made? We must go back to the beginning, and take a new start. Every step in our financial banking system, since 1832, has been a false step; it has been a step which has conducted us farther and farther from the path of safety.

The discontinuance of the National Bank, the illegal removal of the deposits, the accumulation of the public revenue in banks, selected by the Executive, and for a long time subject to no legal regulation or restraint, and finally the unauthorized and illegal Treasury order, have brought us where we are. The destruction of the National Bank was the signal for the creation of an unprecedented number of new State banks, some of them with more disproportionate, and even more nominal capital than the National Bank had possessed. These banks, lying under no restraint from the general government, or any of its institutions, issued paper corresponding to their own sense of their immediate interests and hopes of gain; the deposit with the State banks of the whole public revenue, then accumulated to a vast amount, and making this deposit without any legal restraint or control whatever, increased both the power and disposition of these banks for extensive issues. In that, the government seems to have administered every possible provocation to the banks to induce them to extend their circulation. It uniformly, zealously, and successfully opposed the land bill — a most useful measure, by which accumulation in the treasury would have been prevented; and, as if it desired and sought this accumulation, it finally resisted, with all its power, the deposit among the States. It is advanced as a reason for the present overthrow, that an extraordinary spirit of speculation has gone abroad, and has been manifested, particularly and strongly in the endeavor to purchase the public lands; but has not every act of the government directly encouraged this spirit? It accumulated revenue which it did not need, all of which it left in the deposit banks. The banks had money to lend, and there were enough who were ready to borrow,

for the purpose of purchasing the public lands at government prices. THE PUBLIC TREASURY WAS THUS MADE THE GREAT AND EFFICIENT MEANS OF EFFECTING THOSE PURCHASES WHICH HAVE SINCE BEEN SO MUCH DENOUNCED AS EXTRAVAGANT SPECULATION AND EXTENSIVE MONOPOLY. THESE PURCHASERS BORROWED THE PUBLIC MONEY; THEY USED THE PUBLIC MONEY TO BUY THE PUBLIC PROPERTY; THEY SPECULATED ON THE STRENGTH OF THE PUBLIC MONEY; — and while all this was going on, and every man saw it, the *administration resisted, to the utmost of its power, every attempt to WITHDRAW THIS MONEY FROM THE BANKS AND FROM THE HANDS OF THOSE SPECULATORS, AND DISTRIBUTE IT AMONG THE PEOPLE TO WHOM IT BELONGED.* If there has been overtrading, the government has encouraged it; if there have been rash speculations in the public lands, the GOVERNMENT HAS FURNISHED THE MEANS OUT OF THE TREASURY. These unprecedented sales of the public domain were boasted of as proofs of a happy state of things, and of a wise administration of the government, down to the moment when Congress, in opposition to executive wishes, passed the distribution law, thus withdrawing the surplus revenue from the deposit banks. The success of that measure compelled a change in the executive policy, as the accumulation of a vast amount of money in the treasury was no longer desirable. This is the most favorable motive to which I can ascribe the treasury order of July. It is now said that that order was issued for the purpose of enforcing a strict execution of the law which forbids the allowance of credits upon purchases of the public lands; but there was no such credit allowed before — not an hour was given beyond the time of sale. In this respect, the order produces no difference whatever. Its only effect is to require an immediate payment in specie, whereas, before, an immediate payment in the bills of specie-paying banks was demanded. There is no more credit in the one case than in the other; and the government gets just as much specie in one case as in the other; for no sooner is the specie, which the purchaser is compelled to procure, often at great charge, paid to the receiver, than it is sent to the deposit banks, and the government has credit for it on the books of the bank; but the specie itself is again sold by the bank, or disposed of, as it sees fit. It is evident that the government gets nothing by all this, though the purchasers of small tracts are put to great trouble and expense. No one gains any thing but the banks and the brokers. It is, moreover, most true that the art of man could not have devised a plan more effectually to give the large purchasers or speculators a decided preference and advantage over small purchasers, who purchased for actual settlement, than the treasury order of July, 1836. The stoppage of the banks, however, has now placed the actual settler in a still more unfortunate situation.

How is he to obtain money to pay for his quarter section? He must travel three or four times as many miles for it as he has dollars to pay, even if he should be able to obtain it at the end of that journey.

I will not say that other causes, at home and abroad, have not had an agency in bringing about the present derangement. I know that credits have been used beyond all former example; that it is probable the spirit of trade has been too highly excited; that the pursuit of business may have been pressed too fast and too far. All this I am ready to admit. But instead of doing any thing to abate this tendency, our government has been the prime instrument of fostering and encouraging it. It has parted voluntarily, and by advice, with all control over the actual currency of the country. It has given a free and full scope to the spirit of banking; it has aided the spirit of speculation with the public treasures; and it has done all this, in the midst of loud-sounding promises of an exclusive specie medium, and a professed detestation of all banking institutions.

It is vain, therefore, to say that the present state of affairs is owing, not to the acts of government, but to other causes, over which government could exercise no control. Much of it is owing to the course of the national government; and what is not so, to causes, the operation of which, government was bound, in duty, to use all its legal powers to control.

Is there an intelligent man in the community, at this moment, who believes that, if the Bank of the United States had been continued, if the deposits had not been removed, if the specie circular had not been issued, the financial affairs of the country would have been in as bad a state as they now are? When certain consequences are repeatedly depicted and foretold from particular causes, when the manner in which these consequences will be produced is precisely pointed out, beforehand, and when the consequences come in the manner foretold, who will stand up and declare, that, notwithstanding all this, there is no connection between the CAUSE and the CONSEQUENCE, and that all these effects are attributable to some other causes, nobody knows what?

No doubt but we shall hear every cause but the true ones assigned for the present distress. It will be laid to the opposition in and out of Congress; it will be laid to the Bank; it will be laid to the merchants; it will be laid to the manufacturers; it will be laid to the tariff; it will be laid to the North Star, or to the malign influence of the last comet, whose tail swept near or across the orbit of our earth, before we shall be allowed to ascribe it to its just, main causes, *a tampering with the currency and an attempt to stretch Executive power over a subject not constitutionally within its reach.*

We have heard, Gentlemen, of the suspension of some of the eastern banks only ; but I fear the same course must be adopted by all the banks throughout the country. The United States Bank, now a mere State institution, with no public deposits, no aid from government, but, on the contrary, long an object of bitter persecution by it, was, at our last advices, still firm. But can we expect of that bank to make sacrifices to continue specie payment ? If it continue to do so, now the deposit banks have stopped, the government will draw from it its last dollar, if it can do so, in order to keep up a pretence of making its own payments in specie. I shall be glad if this institution find it prudent and proper to hold out ; * but as it owes no more duty to the government than any other bank, and, of course, much less than the deposit banks, I cannot see any ground for demanding from it efforts and sacrifices to favor the government, which those holding the public money, and owing duty to the government, are unwilling or unable to make. Nor do I see how the New England banks can stand alone in the general crush. I believe those in Massachusetts are very sound, and entirely solvent ; I have every confidence in their ability to pay ; and I shall rejoice if, amidst the present wreck, we find them able to withstand the storm ; but at the same time I confess I shall not be disappointed, if they, seeing no public object to be attained, proportioned to the private loss, and individual sacrifice and ruin, which must result from the means necessary to enable them to hold out, should not be distinguished from their southern and western neighbors.

I believe, Gentlemen, the “experiment” must go through. I believe every part and portion of our country will have a satisfactory taste of the “better currency.” I believe we shall be blest again with the currency of 1812, *when money was the only uncurrent species of property*. We have, amidst all the distress that surrounds us, men in and out of power, who condemn a national bank in every form, maintain the efficacy and efficiency of State banks for domestic exchange, and amidst all the sufferings and terrors of the “experiment,” cry out, that they are establishing “A BETTER CURRENCY.” The “*experiment*”—the experiment upon what ? The experiment of one man upon the happiness, the well-being, and, I may almost say, upon the lives of twelve millions of human beings—an “experiment” that found us in health, that found us with the best currency on the face of the earth, the same from the north to the south, from Boston to St. Louis, equalling silver or gold in any part of our Union, and possessing the unlimited confidence of the European powers and people, and leaves us crushed, ruined, without means at home, and without credit abroad.

* The mail of that day brought advice of its suspension.

This word "experiment" appears likely to get into no enviable notoriety. It may probably be held, in future, to signify any thing which is too excruciating to be borne, like a pang of the rheumatism or an extraordinary twinge of the gout. Indeed, from the experience we now have, we may judge that the bad eminence of the Inquisition may be superseded by it, and if one shall be hereafter stretched upon the rack, or broken on the wheel, it may be said, while all his bones are cracking, all his muscles snapping, all his veins are pouring, that he is only passing into a better state through the delightful process of an "*experiment*."

Gentlemen, you will naturally ask, Where is this to end, and WHAT IS TO BE THE REMEDY? These are questions of momentous importance; but probably the proper moment has not come for considering this. We are yet in the midst of the whirlwind. Every man's thoughts are turned to his own immediate preservation. When the blast is over, and we have breathing-time, the country must take this subject, this all-important subject of relief for the present and security for the future, into its most serious consideration. It will undoubtedly first engage the attention and wisdom of Congress. It will call on public men, intrusted with public affairs, to lay aside party and private preferences and prejudices, and unite in the great work of redeeming the country from this state of disaster and disgrace. All that I mean, at present, to say, Gentlemen, is, that the government of the United States stands chargeable, in my opinion, with a gross dereliction from duty, in leaving the currency of the country entirely at the mercy of others, without seeking to exercise over it any control whatever. The *means* of exercising this control rest in the wisdom of Congress, but the duty I hold to be imperative. It is a power that cannot be yielded to others with safety to itself or to them. It might as well give up the power of making peace or war to the States, and leave the twenty-six independent sovereignties to select their own foes, raise their own troops, and conclude their own terms of peace. It might as well leave the States to impose their own duties, regulate their own terms and treaties of commerce, as to give up control over the currency in which all are interested.

The present government has been in operation forty-eight years. During forty of these forty-eight years we have had a national institution performing the duties of a fiscal agent to the government, and exercising a most useful control over the domestic exchanges and over the currency of the country. The first institution was chartered on the ground that such an institution was *necessary* to the safe and economical administration of the Treasury Department in the collection and disbursements of its revenue. The experience of the new government had clearly proved its necessity.

At that time, however, there were those who doubted the power

of Congress, under the provisions of the Constitution, to incorporate a bank ; but a majority of both houses were of a different opinion. President Washington sanctioned the measure, and among those who doubted, those of most weight and consideration in the country, and whose opinions were entitled to the highest respect, yielded to the opinion of Congress and the country, and considered it a settled question. Among those who first doubted of the power of the government was one whose name should never be mentioned without respect and veneration, one for whom I can say I feel as high a veneration as one man can or ought to feel for another, one who was intimately associated with all the features of the Constitution — Mr. Madison ; yet, when Congress had decided on the measure, by large majorities ; when the President had approved it ; when the judicial tribunals had sanctioned it ; when public opinion had deliberately and decidedly confirmed it, — *he* looked on the subject as definitely and finally settled. The reasoners of our day think otherwise. No decision, no public sanction, no judgment of the tribunals, is allowed to weigh against their respect for their own opinions. They rush to the argument as to that of a new question, despising all lights but that of their own unclouded sagacity, and careless of the venerable living and of the mighty dead. They poise this important question upon some small points of their own slender logic, and decide it on the strength of their own unintelligible metaphysics. It never enters into all their thoughts that this is a question to be judged of on broad, comprehensive, and practical grounds ; still less does it occur to them that an exposition of the Constitution, contemporaneous with its earliest existence, acted on for nearly half a century, in which the original framers and government officers of the highest note concurred, ought to have any weight in their decision, or inspire them with the least doubt of the accuracy and soundness of their own opinions. They soar so high in the regions of self-respect as to be far beyond the reach of all such considerations.

For sound views upon the subject of a National Bank, I would commend you, Gentlemen, to the messages of Mr. Madison, and to his letter on the subject. They are the views of a truly great man and a statesman.

As the first Bank of the United States had its origin in necessity, so had the second ; and, although there was something of misfortune, and certainly something of mismanagement in its early career, no candid and intelligent man can, for a moment, doubt or deny its usefulness, or that it fully accomplished the object for which it was created. Exchanges, during all the later years of its existence, were easily effected, and a currency the most uniform of any in the world existed throughout the country. The opponents of these institutions did not deny that general prosperity and a happy state

of things existed at the time they were in operation, but contended that equal prosperity would exist without them, while specie would take the place of their issues as a circulating medium. How have their words been verified? Both in the case of the first bank and that of the last, *a general suspension of specie payments has happened in about a year from the time they were suffered to expire*, and a universal confusion and distrust prevailed. The first bank expired in 1811, and all the State banks, south of New England, stopped payment in 1812; the charter of the late bank expiring in March, 1836, and in May, 1837, a like distrust, and a like suspension of the State banks, takes place.

The same results, we may readily suppose, are attributable to the same causes, and we must look to the experience and wisdom of the people and of Congress to apply the requisite remedy. I will not say the only remedy is a National Bank; but I will say that, in my opinion, the only sure remedy for the evils that now prey upon us, is the assumption, by the delegates of the people in the national government, of some lawful control over the finances of the nation, and a power of regulating its currency.

Gentlemen, allow me again to express my thanks for the kindness you have shown me this day, and in conclusion to assure you, that, though a representative in the federal government of but a small section, when compared with the vast territory that acknowledges allegiance to that government, I shall never forget that I am acting for the weal or woe of the whole country, and so far as I am capable, will pledge myself impartially to use every exertion for that country's welfare.

SPEECH

DELIVERED AT MADISON, INDIANA, JUNE 1, 1837.

[From the Madison Republican Banner, June 7.]

DANIEL WEBSTER visited our town on Thursday last. Notice had been given the day previous of the probable time of his arrival. At the hour designated, crowds of citizens from the town and country thronged the quay. A gun from the Ben Franklin, as she swept gracefully round the point, gave notice of his approach, and was answered by a gun from the shore. Gun followed gun in quick succession, from boat and shore, and the last of the old national salute was echoing among hill and glen, as the Franklin reached the wharf. Mr. Webster was immediately waited on by the committee appointed to receive him, and, attended by them, a committee of invitation from Cincinnati, and several gentlemen from Louisville, he landed amidst the cheers and acclamations of the assembled multitude. He was seated in an elegant barouche, supported by Governor Hendricks and John King, Esq., and, with the different committees, and a large procession of citizens in barouches, on horseback, and on foot, formed under the direction of Messrs. Wharton and Payne, of the committee of arrangements, marshals of the day, proceeded to the place appointed for his reception, an arbor erected at the north end of the market-house, fronting the large area formed by the intersection of Main and Main Cross Streets and the public square; and tastefully decorated with shrubbery, evergreens, and wreaths of flowers. In the back-ground appeared portraits of Washington and Lafayette, the Declaration of Independence, and several other appropriate badges and emblems, while in front a flag floated proudly on the breeze, bearing for its motto the ever-memorable sentiment with which he concluded his immortal speech in defence of the Constitution, "LIBERTY AND UNION, NOW AND FOREVER, ONE AND INSEPARABLE." When the procession arrived, Mr. W. ascended the stand in the arbor, supported by Governor Hendricks and the committee of arrangements, when he was appropriately and eloquently addressed by J. G. Marshall, Esq. on behalf of the citizens, to which he responded in a speech of an hour's length.

CORRESPONDENCE.

LOUISVILLE, MAY 30, 1837.

HON. DANIEL WEBSTER: Sir—Your fellow-citizens of the town of Madison, Indiana, deeply impressed with a sense of the obligations which they and all the true lovers of constitutional liberty, and friends to our

happy and glorious Union, owe you for the many prominent services rendered by you to their beloved, though now much agitated and injured country, having appointed the undersigned a committee, through whom to tender you their salutations and the hospitalities of their town, desire us earnestly to request you to partake of a public dinner, or such other expression of the high estimation in which they hold you, as may be most acceptable, at such time as you may designate.

Entertaining the hope, that you may find it convenient to comply with this request of our constituents and ourselves, we beg leave, with sentiments of the most profound respect and regard, to subscribe ourselves,

Your fellow-citizens,

W. LYLE,	} <i>Committee.</i>
W. J. M'CLURE,	
WM. F. COLLUM,	
A. W. PITCHER,	
JAS. E. LEWIS,	
D. L. M'CLURE,	

LOUISVILLE, May 30, 1837.

GENTLEMEN: I feel much honored by the communication which I have received from you, expressing the friendly sentiments of my fellow-citizens of Madison, and desiring that I should pay them a visit.

Although so kind an invitation, meeting me at so great a distance, was altogether unlooked for, I had yet determined not to pass so interesting a point on the Ohio without making some short stay at it. I shall leave this on Thursday morning, and will stop at Madison, and shall be most happy to see any of its citizens who may desire to meet me. I must pray to be excused from a formal public dinner, as well from a regard to the time which it will be in my power to pass with you, as from a general wish, whenever it is practicable, to avoid every thing like ceremony or show in my intercourse with my fellow-citizens. You truly observe, gentlemen, that the country at the present moment is agitated. I think, too, that you are right in saying it is injured; that is, I think public measures, of a very injurious character and tendency, have been unfortunately adopted. But our case is not one that leads us to much despondency. The country—the happy and glorious country in which you and I live—is great, free, and full of resources; and, in the main, an intelligent and patriotic spirit pervades the community. These will bring all things right. Whatsoever has been injudiciously or rashly done, may be corrected by wiser counsels. Nothing can, for any great length of time, depress the great interests of the people of the United States, if wisdom and honest good sense shall prevail in their public measures. Our present point of suffering is the *currency*. In my opinion, this is an interest with the preservation of which *Congress* is charged—solemnly and deeply charged. A uniform currency was one of the great objects of the Union. If we fail to maintain it, we so far fail of what was intended by the national Constitution. Let us strive to avert this reproach from that government and that Union, which make us, in so many respects, **ONE PEOPLE!** Be assured that, to the attainment of this end, every power and faculty of my mind shall be directed; and may Providence

so prosper us, that no one shall be able to say, that in any thing, this glorious Union of the States has come short of fulfilling either its own duties or the just expectations of the people.

With sentiments of true regard, gentlemen, I am your much obliged friend and fellow-citizen,

DANIEL WEBSTER.

To W. LYLE, W. J. MCCLURE, WM. F. COLLUM, A. W. PITCHER, JAMES E. LEWIS, DAVID L. MCCLURE,	}	Committee.
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MR. MARSHALL'S ADDRESS.

SIR — The people now assembled around you, through me, the humble organ of their selection, do most sincerely and cordially welcome you to Madison. In extending to you the most liberal hospitality, they do no more, however, than they would be inclined to do towards the humblest citizen of our common country. But this public and formal manifestation of the feeling of regard which they entertain for you, is intended to do more than inform you of the simple fact that here you can find food and shelter, and partake with them of the pleasures of the social circle. If this were all, it might be communicated in a manner more acceptable, by extending to you the hand of friendship, and kindly pointing you to the family board; but by this public parade, this assembling of the people around you, it is intended to give you that consolation, (most grateful and cheering to every true American heart,) the *People's* approbation of your acts as a public servant. This is done, not with that abject feeling which characterizes the homage of subjects, but with that nobler feeling which prompts freemen to honor and esteem those who have been their country's benefactors. Prompted by such feeling, the patriots of the Revolution delighted to honor the *Father of our country*. He led his armies to victory, and thus wrested the liberties of his countrymen from the grasp of a tyrant; — and may we not from like impulses manifest gratitude towards those who, by the power of their intellects, have effectually rebuked erroneous principles which were evidently undermining and endangering the very existence of our beloved Union? Yes, sir, our country has now nothing to fear from external violence. It is a danger which the whole country can see on its first approach, and every arm will be nerved at once to repel it — it can be met at the point of the bayonet, and millions would now, as in days that are past, be ready to shed their blood in defence of their country. But, sir, in *those* who artfully excite the passions and prejudices of the people, and by presenting to them the most plausible pretences (for their own selfish purposes) lead them thoughtlessly to abandon the sacred principles upon which our government is founded, and to reject the measures which can alone promote the prosperity of the country, in such we meet an enemy against whom the most daring bravery of the soldier is totally unavailing.

The injury which is inflicted is not at first felt — time is required to develop it — and when developed, the closest investigation may be necessary to trace it to its cause; this the people may not be able to accomplish. This enemy to the country can only be discerned by the keen eye of the Statesman, and met and conquered by the power of his intellect. And he who is successful in thus defending his country, may well be held in grate-

ful remembrance by his fellow-citizens. It is for such reasons, sir, that we have presented you these testimonials of our approbation. Though personally a stranger to us, your public character, your masterly efforts in defence of the Constitution, the services you have rendered the West, and the principles and measures which you have so ably advocated, are known and approved, and I hope will ever be remembered by us. And although some of your efforts have proved for the time unsuccessful, it is to be hoped they would now have a different effect. When the old and established measures of any government have been abandoned for new ones — simply as an *experiment* — and when that experiment, if it does not produce, is, to say the least, immediately followed by ruin and distress in every part of the country — may we not hope that men will at least calmly and dispassionately hear and weigh the reasons why a different policy should be adopted? But if the people's representatives cannot be convinced of the error into which they have been led, it is high time the people themselves should arise from their slumbers — a dark cloud hangs over the land, so thick, so dark, a ray of hope can hardly penetrate it. But shall the people gird on their armor and march to battle? No, sir — it is a battle which they must fight through the ballot-box; and perhaps they do not know against what to direct their effort; they are almost in a state of despondency, ready to conclude that they are driven to the verge of ruin by a kind of irresistible destiny. The cause of the evil can be discovered only by investigation; and to their public men they must look for information and for wisdom to direct them. But, sir, it is not our object to relate to you our grievances, or recount the past services which you have rendered your country — we wish to cheer you on to increased efforts in urging the measures you have heretofore so zealously and ably advocated. May your success be equal to your efforts — and may happiness and prosperity attend you through life.

Mr. WEBSTER replied as follows: —

IF, fellow-citizens, I can make myself heard by this numerous assembly, speaking, as I do, in the open air, I will return to you my heartfelt thanks for the kindness you have shown me. I come among you a stranger. On the day before yesterday, I placed my foot, for the first time, in the great and growing State of Indiana. Although I have lived on terms of great intimacy and friendship with several Western gentlemen, members of Congress, among whom is your estimable townsman near me, (Governor Hendricks,) I have never before had an opportunity of seeing and forming an acquaintance for myself with my fellow-citizens of this section of the Union. I travel for this purpose. I confess that I regard with astonishment the evidences of intelligence, enterprise, and refinement every where exhibited around me, when I think of the short time that has elapsed since the spot where I stand was a howling wilderness. Since I entered public life, this State was unknown as a political government — all the country west of the Alleghanies, and north-west of the Ohio, constituted but one territory, entitled to a single delegate in the councils of the nation, having the right to speak, but not to vote. Since then, the States of Ohio, Indiana, Illinois, Michigan, and the long strip of country known as the Territory of Wisconsin, have been carved out of it. Indiana, which

numbers but twenty years since the commencement of her political existence, contains a population of six hundred thousand — equal to the population of Massachusetts, a State of two hundred years duration. In age she is an infant; in strength and resources a giant. Her appearance indicates the full vigor of maturity, while, judging by the measure of her years, she is yet in the cradle.

Although I reside in a part of the country most remote from you — although I have seen you spring into existence and advance with rapid strides in the march of prosperity and power, until your population has equalled that of my own State, which you far surpass in fertility of soil and salubrity of climate; yet these things have excited in me no feelings of dislike, or jealousy, or envy. On the contrary, I have witnessed them with pride and pleasure, when I saw in them the growth of a member of our common country; and with feelings warmer than pride, when I recollect that there are those among you who are bone of my bone, and flesh of my flesh — who inherit my name and share my blood. When they came to me for my advice, before leaving their hearths and homes, I did not oppose their desires or suggest difficulties in their paths. I told them, “Go and join your destinies with those of the hardy pioneers of the West — share their hardships and partake their fortunes — go, and God speed you; only carry with you your own good principles, and whether the sun rises on you, or sets on you, let it warm American hearts in your bosoms.”

Though, as I observed, I live in a part of the country most remote from you, fellow-citizens, I have been no inattentive observer of your history and progress. I have heard the reports made in your Legislature, and the acts passed in pursuance thereof. I have traced on the map of your State the routes marked out for extensive turnpikes, rail-roads, and canals. I have read with pleasure the acts providing for their establishment and completion. I do not pretend to offer you my advice — it would perhaps be presumptuous; but you will permit me to say, that as far as I have examined them, they are conceived in wisdom, and evince great political skill and foresight. You have commenced at the right point. To open the means of communication, by which man may, when he wishes, see the face of his friend, should be the first work of every government. We may theorize and speculate about it as we please — we may understand all the metaphysics of politics; but if men are confined to the narrow spot they inhabit, because they have not the means of travelling when they please, they must go back to a state of barbarism. Social intercourse is the cornerstone of good government. The nation that provides no means for its improvement, has not taken the first step in civilization. Go on, then, as you have begun — prosecute your works with energy and perseverance — be not daunted by imaginary difficulties — be not

deterred by exaggerated calculations of their cost — go on, open your wilderness to the sun — turn up the soil — and in the widespread and highly-cultivated fields, the smiling villages, and the busy towns that will spring up from the bosom of the desert, you will reap a rich reward for your investment and industry.

Another of the paramount objects of government, to which I rejoice to see that you have turned your attention, is education. I speak not of college education, nor of academy education, though they are of great importance ; I speak of free school education — common school education.

Among the planets in the sky of New England — the burning lights, which throw intelligence and happiness on her people — the first and most brilliant is her system of common schools. I congratulate myself that my first speech on entering public life was in their behalf. Education, to accomplish the ends of good government, should be universally diffused. Open the doors of the school-house to all the children in the land. Let no man have the excuse of poverty for not educating his own offspring. Place the means of education within his reach, and if they remain in ignorance, be it his own reproach. If one object of the expenditure of your revenue be protection against crime, you could not devise a better or cheaper means of obtaining it. Other nations spend their money in providing means for its detection and punishment, but it is for the principles of our government to provide for its never occurring. The one acts by *coercion*, the other by *prevention*. On the diffusion of education among the people rests the preservation and perpetuation of our free institutions. I apprehend no danger to our country from a foreign foe. The prospect of a war with any powerful nation is too remote to be a matter of calculation. Besides, there is no nation on earth powerful enough to accomplish our overthrow. Our destruction, should it come at all, will be from another quarter. From the inattention of the people to the concerns of their government — from their carelessness and negligence — I must confess that I do apprehend some danger. I fear that they may place too implicit a confidence in their public servants, and fail properly to scrutinize their conduct, — that in this way they may be made the dupes of designing men, and become the instruments of their own undoing. Make them intelligent, and they will be vigilant — give them the means of detecting the wrong, and they will apply the remedy.

The gentleman who has just addressed me in such flattering but unmerited terms, has been pleased to make kind mention of my attention to the Constitution, and my humble efforts in its support. I claim no merit on that account. It results from my sense of its surpassing excellences, which must strike every man who attentively and impartially examines it. I regard it as the work of the

purest patriots and wisest statesmen that ever existed, aided by the smiles of a benignant Providence—for when we regard it as a system of government growing out of the discordant opinions and conflicting interests of thirteen independent States, it almost appears a divine interposition in our behalf. I have always, with the utmost zeal and moderate abilities I possess, striven to prevent its infraction in the slightest particular. I believed if that bond of union were broken, we would never again be a united people. Where, among all the political tinkers, the constitution-makers and the constitution-menders of the day, could we find a man to make us another? Who would even venture to propose a re-union? Where would be the starting point, and what the plan? I do not expect miracles to follow each other. None could be proposed that would be adopted; the hand that destroys the Constitution rends our Union asunder forever.

My friend has been pleased to remember, in his address, my humble support of the Constitutional right of Congress to improve the navigation of our great internal rivers, and to construct roads through the different States. It is well known that my opinions on this subject are stronger than most men's. Believing that the object of the Union was to secure the general safety and promote the general welfare, and that the Constitution was designed to point out the means of accomplishing these ends, I have always been in favor of such measures as I deemed for the general benefit, under the restrictions and limitations prescribed by the Constitution itself. I supported them with my voice, and my vote, not because they were for the benefit of the West, but because they were for the benefit of the whole country. That they are local in their advantages, as well as in their construction, is an objection that has been and will be urged against every measure of the kind. In a country so widely extended as ours, so diversified in its interests and in the character of its people, it is impossible that the operation of any measure should affect all alike. Each has its own peculiar interest, whose advancement it seeks: we have the sea-coast, and you the noble river that flows at your feet. So it must ever be. Go to the smallest government in the world—the Republic of San Marino, in Italy, possessing a territory of but ten miles square—and you will find its citizens, separated but by a few miles, having some interests which, on account of local situation, are separate and distinct. There is not on the face of the earth a plain, five miles in extent, whose inhabitants are the same in their pursuits and pleasures. Some will live on a creek, others near a hill, which, when any measure is proposed for the general benefit, will give rise to jarring claims and opposing interests. In such cases, it has always appeared to me that the point to be examined was, whether the principle was general; if the principle were general, although the

application might be partial, I cheerfully and zealously give it my support. When an objection has been made to an appropriation for clearing the snags out of the Ohio river, I have answered it with the question, "Would you not vote for an appropriation to clear the Atlantic Ocean of snags, were the navigation of your coast thus obstructed? they contribute their portion of the revenue to fortify your sea-coast, and erect piers, and harbors, and light-houses, from which they derive a remote benefit, and why not contribute yours to improve the navigation of a river whose commerce enriches the whole country?"

It may be expected, fellow-citizens, that I should say something on a topic which agitates and distracts the public mind—the deranged state of the currency, and the general stagnation of business. In giving my opinions on this topic, I wish it to be distinctly understood, that I force them on no man. I am an independent man, speaking to independent men. I think for myself; you of course enjoy and exercise the same right. I cheerfully concede to every one the liberty of differing with me in sentiment, readily granting that he has as good a chance of being right as myself—perhaps a better. But I have some respect for my character as a public man. The present state of things has grown out of a series of measures, to which I have been in uniform opposition. In speaking of their consequences, I am doing but justice to myself in showing them in justification of my conduct. I am performing a duty to my fellow-citizens, who have a right to know the opinions of every public man. The present state of things is unparalleled in the annals of our country. The general suspension of specie payments by the banks—beginning I know not where, and ending I know not where, but comprehending the whole country—has produced wide-spread ruin and confusion through the land. To you the scene is one of apprehension as yet; to us, of deep distress. You cannot understand, my fellow-citizens, nor can I describe it so as to enable you to understand, the embarrassment and suffering which is depressing the spirit and crushing the energies of the people of the sea-girt State of the East. You are agriculturists—you produce what you consume, and always have the means of living within your reach. We depend on others for their agricultural productions—we live by manufactures and commerce, of which credit is the life's blood. The destruction of credit is the destruction of our means of living. The man who cannot fulfil his daily engagements, or with whom others fail to fulfil theirs, must suffer for his daily bread. And who are those who suffer? Not the rich, for they can generally take care of themselves. Capital is ingenious and far-sighted—ready in resources and fertile in expedients to shelter itself from impending storms. Shut it out from one source of increase, and it will find other avenues of profitable investment.

It is the industrious, working part of the community — men whose hands have grown hard by holding the plough and pulling the oar — men who depend on their daily labor and their daily pay — who, when the operations of trade and commerce are checked and palsied, have no prospect for themselves and their families but beggary and starvation. All this has been attributed to causes as different as can be imagined; over trading — over buying — over selling — over speculating — over production — terms which I acknowledge I do not very well understand. I am at a loss to conceive how a nation can become poor by over production — producing more than she can sell or consume. I do not see where there has been over trading, except in public lands; for when every thing else was up to such an enormous price, and the public land tied down to one dollar and a quarter an acre, who would not have bought it if he could?

These causes could not have produced all those consequences which have produced such general lamentation. They must have proceeded from some other source. And I now request you, my fellow-citizens, to bear witness, that here, in this good city, on the banks of the Ohio, on the first day of June, 1837, beneath the bright sun that is shining upon us, I declare my conscientious conviction that they have proceeded from the measures of the General Government in relation to the currency. I make this declaration in no spirit of enmity to its authors — I follow no man with rebukes or reproaches. To reprobate the past will not alleviate the evils of the present. It is the duty of every good citizen to contribute his strength, however feeble, to diminish the burden under which a people groans. To apply the remedy successfully, however, we must first ascertain the causes, character, and extent of the evil. Let us go back, then, to its origin. Forty-eight years have elapsed since the adoption of our Constitution. For forty years of that time we had a National Bank. Its establishment originated in the imperious obligation imposed on every government to furnish its people with a circulating medium for their commerce. No matter how rich the citizen may be in flocks and herds — in houses and lands — if his government does not furnish him a medium of exchange, commerce must be confined to the petty barter suggested by mutual wants and necessities, as they exist in savage life. The history of all commercial countries shows that the precious metals can constitute but a small part of this circulating medium. The extension of commerce creates a system of credit — the transmission of money from one part of the country to the other gives birth to the business of exchange. To keep the value of this medium and the rates of exchange equal and certain, was imperiously required by the necessities of the times when the Bank was established. Under the old confederacy, each of the thirteen States established

and regulated its own money, which passed for its full value within the State, and was useless the moment it crossed the State border. The little State of Rhode Island, for instance — (I hope no son of hers present will take offence at what I say) — so small that an Indiana man might almost cover her territory with his hand, was crowded with Banks. A man might have been rich at Providence, but before he could travel to Boston, forty miles distant, he would starve for want of money to pay for his breakfast.

Had this state of things continued, some of the provisions of the Constitution would have been of no force or virtue. Of what value to Congress would have been the right to levy taxes, imposts, and duties — to regulate commerce among different States, — and of what effect or consequence the prohibition on the different States, of levying and collecting imposts, if each and every one of them had possessed the right of paying her taxes and duties in a currency of her own, which would not pass one hundred miles, perhaps, from the bank where it was issued? The creation of the National Bank presented the surest means of remedying these evils, and accomplishing one of the principal objects of the Constitution — the establishment and maintenance of a currency whose value would be uniform in every part of the country. During the forty years it existed, we had no general suspension of specie payments, as at present. We got along well with it, and I am one of those who are disposed to let *well* alone. I am content to travel along the good old turnpike on which I have journeyed before with comfort and expedition, without turning aside to try a new track. I must confess that I do not possess that soaring self-respect — that lofty confidence in my own political sagacity and foresight — which would induce me to set aside the experience of forty years, and risk the ruin of the country, for the sake of an *Experiment*. To this is all the distress of the country attributable. This has caused such powerful invasions of bank paper, like sudden and succeeding flights of birds of prey and passage, and the rapid disappearance of specie at its approach. You all know that bank notes have been almost as plenty as the leaves of the forest in the summer. But of what value are they to the holder, if he is compelled to pay his debts in specie? And who can be expected to pay his debts, when the Government has withdrawn the specie from circulation?

You have not felt the evil in its full extent. It is mostly in prospect, and you are watching its approach. While you are endeavoring to guard against it, strive to prevent its future recurrence. As you would hunt down, with hound and horn, the wolf who is making nightly havock of your flocks and herds, pursue and keep down those who would make havock in your business and property by experiments on our currency.

Although the country has bowed beneath the pressure, I do not

fear that it will be broken down and prostrated in the dust. Depress them as it may, the energy and industry of the people will enable them to rise again. We have for a long time carried a load of bad government on our shoulders, and we are still able to bear up under it. But I do not see that, for that reason, we should be willing and eager to carry it. I do not see why it should prevent us from wishing to lessen it as much as possible, if not to throw it off altogether, when we know that we can get along so much easier and faster without it. While we are exerting ourselves with renewed industry and economy to recover from its blighting effects; while we plough the land and plough the sea;—let us hasten the return of things to their proper state, by such political measures as will best accomplish the desired end. Let us inform our public servants of our wishes, and pursue such a course as will compel them to obey us.

In conclusion, my fellow-citizens, I return you my thanks for the patience and attention with which you have listened to me, and pray the beneficent Giver of all good, that he may keep you under the shadow of his wing, and continue to bless you with peace and prosperity.

SPEECH

DELIVERED IN THE SENATE OF THE UNITED STATES, SEPTEMBER 14, 1837, ON THE BILL TO POSTPONE THE PAYMENT OF THE FOURTH INSTALMENT OF THE DEPOSIT TO THE STATES.

MR. WEBSTER rose, and said that the importance of the present crisis, and the urgency of this occasion, were such as to lead him earnestly to desire that some measures of adequate relief might come from the quarter which alone had the power to effect any thing, by the majority it commanded. Much as I differ from them, (said Mr. W.,) I would be glad to accept any measure of substantial relief which they might bring forward. I think, sir, I see such a necessity for relief as never before, within my recollection, has existed in this country; and I regret to be obliged to say, that the measures proposed by the President, in his Message to Congress, and reiterated by the Secretary of the Treasury, in his report to the same body, only regard one object, and are, in their tendency, only directed to one branch of partial relief. The evils, however, under which the community now suffers, (said Mr. W.,) though related, and of the same family, are yet capable of distinct consideration. In the first place, there are the wants of the Treasury, arising from the stoppage of payments and the falling off of the revenue. This is an exigency requiring the consideration of Congress: it is an evil threatening to suspend the functions of at least one department of the Government, unless it be remedied. Another, and a greater evil, is, the prostration of credit, the interruption brought upon all business transactions, arising from the suspension of all the local banks throughout the country, with some few and trifling exceptions. Hence have proceeded a prostration of the local currency, and a serious obstruction and difficulty thrown in the way of buying and selling. A third want is, the want of an accredited paper medium, equal to specie, having equal credit over all parts of the country, capable of serving for the payment of debts and carrying on the internal business of the country throughout and between the different and distant sections of this great Union. These three evils, though they are coëxistent and cognate in their being, cannot be met by the same measures of relief: if relief is given to the one, it does not follow that you will relieve the others; if you replenish

the Treasury, and thus bring a remedy to that evil, this brings no relief to the disordered currency. And again : if the local currency is relieved, it does not supply the other want, namely, that of a universally accredited medium.

It has, no doubt, struck the country generally that the most important objection to the Message is, that it says nothing about relief to the country, directly and mainly ; the whole amount of the proposition it contains relates to the Government itself ; the interest of the community is treated as collateral, incidental, and contingent. So, in the communication made by the Secretary of the Treasury, the state of the currency, the condition in which the commerce and trade of the country now are, is not looked at as a prominent and material object. The Secretary's report, as well as the Message itself, exclusively regards the interest of the Government, forgetting or passing by the people. The outpourings of the Secretary, which are very considerable in quantity, are under seven heads, the exact number of the seven vials of which we read ; but the contents of none of these is concocted or prepared in reference to the benefit of the community ; all the medicine is intended for the Government Treasury, and there is none for the sickness and disease of society, except collaterally, remotely, and by-the-by. It is, however, to the credit of the President that he has given, in an unequivocal and intelligible manner, his reasons for not recommending a plan for the relief of the country ; and they are that, according to his view, it is not within the constitutional province of Government. I confess (said Mr. W.) this declaration is to me quite astounding, and I cannot but think that, when it comes to be considered, it will produce a shock upon the whole country. This avowed disregard of the public distress, upon the ground of alleged want of power ; this exclusive concern for the interest of Government and revenue ; this broad line of distinction, now, for the first time, drawn between the interests of the Government and the interests of the People, must certainly present a new era in our politics. For one, (said Mr. W.,) I consider Government as but a mere agency ; it acts not for itself, but for the country ; the whole end and design of its being is to promote the general interests of the community. Peculiar interests, selfish interests, exclusive regard for itself, are wholly incompatible with the objects of its institution, and convert it from its true character as an agency for the people, into a separate dominant power, with purposes and objects exclusively its own.

Holding, Mr. President, opinions on this subject, and being prepared to stand by and maintain them, I am certainly rejoiced at the clear shape which the question has at last assumed. Now, he that runs may read ; there are none but can see what the question is : Is there any duty incumbent on this Government to superintend the actual currency of the country ? has it any thing to do beyond the

regulation of the gold and silver coin? In that state of mixed currency which existed when the Constitution was formed, and which has existed ever since, is it, or is it not, a part of the duty of the Government to exercise a supervisory care and concern over that which constitutes by far the greater part of that currency?

In other words, may this Government abandon to the States and to the local banks, without control or supervision, the unrestrained issue of paper for circulation, without any attempt, on its own part, to establish a paper medium which shall be equivalent to specie, and universally accredited all over the country? Or, Mr. President, to put the question in still other words, since this Government has the regulation of trade, not only between the United States and foreign states, but between the several States themselves, has it nevertheless no power over that which is the most important and essential agent or instrument of trade, the actual circulating medium? Now, Mr. President, on these questions, as already said, I entertain sentiments wholly different from those which the Message expresses.

It is, (said Mr. W.,) in my view, an imperative duty imposed upon this Government by the Constitution, to exercise a supervisory care and control over all that is in the country assuming the nature of a currency, whether it be metal or whether it be paper; all the coinage of the country is placed in the power of the Federal Government; no State, by its stamp, can give value to a brass farthing. The power to regulate trade and commerce between the United States and foreign or Indian nations, and also between the respective States themselves, is expressly conferred by the Constitution upon the General Government. Now, it is clear that the power to regulate commerce between the States carries with it, not impliedly, but necessarily and directly, a full power of regulating the essential element of commerce, viz. the currency of the country, the money, which constitutes the life and soul of commerce. We live in an age when paper money is an essential element in all trade between the States; its use is inseparably connected with all commercial transactions. That it is so, is now evident, since by the suspension of those institutions from which this kind of money emanates, all business is comparatively at a stand. Now, sir, (said Mr. W.,) what I maintain is simply this, that it surely is the duty of some body to take care of the currency of the country; it is a duty imposed upon some power in this country, as is done in every other civilized nation in the world.

I repeat, sir, that it is the duty of some Government or other to supervise the currency. Surely, if we have a paper medium in the country, it ought only to exist under the sanction and supervision of the Government of the country. Now, sir, if the General Government does not exercise this supervision, who else, I should like

to know, is to do it? Who supposes that it belongs to any of the State Governments, for example, to provide for or regulate the currency between New Orleans and New York?

The idea has been thrown out that it is not the duty of the Government to make provision for domestic exchanges, and the practice of other Governments has been referred to; but, I think, in this particular a great mistake has been committed. It is certainly far otherwise in England: she provides for them most admirably, though by means not perhaps altogether in our power: she and other nations, however, provide for them, and it is plain and obvious that if we are to have a paper medium of general credit in this country, it must be under the sanction and supervision of the Government. Such a currency is itself a proper provision for exchanges. If there be a paper medium always equivalent to coin, and of equal credit in every part of the country, this itself becomes a most important instrument of exchange. Currency and exchange thus become united; in providing for one, Government provides for the other. If the Government will do its duty on the great subject of the currency, the mercantile and industrious classes will feel the benefit through all the operations of exchange. No doubt some modes of establishing such a currency may be more favorable to exchange than others; but by whatever mode established, such a currency must be useful to a great extent. The question, therefore, comes to this, whether we are to have such a medium. I understand there are gentlemen who are opposed to all paper money, who would have no medium whatever in circulation but gold and silver: now this, at all events, is an intelligible proposition; but as to those who say that there may be a paper medium, and yet that there shall be no such medium universally receivable, and of general credit, however honest the purposes of such gentlemen may be, I cannot perceive the sanity of such views; I cannot comprehend the utility of their intentions; I can have no faith, sir, in any such systems. Now, I would ask this plain question, whether any one imagines that all the duty of Government, in respect to the currency, is comprised in merely taking care that the gold and silver coin be not debased. If this be all its duty, that duty is performed, for there is no debasement of them; they are good and sound; if this is all the duty of Government, it has done its duty; but if Government is bound to regulate commerce and trade, and, consequently, to exercise oversight and care over that which is the essential element of all the transactions of commerce, then Government has done nothing.

I shall not, however, (said Mr. W.,) enter into this question to-day, nor perhaps on any early occasion; my opinions upon it are all well known, and I leave it with great confidence to the judgment of the country, only expressing my strong conviction that

until the people do make up their minds, and cause the result of their conclusions to be carried into effect by their representatives, there will be nothing but agitation and uncertainty, confusion and distress, in the commerce and trade of the country.

I shall now (continued Mr. W.) confine myself to a few remarks on the bill before us, and not detain the Senate longer than will be strictly necessary to give a plain statement of my opinion.

This measure is proposed in order to provide for the wants of the Government. I agree that this is a necessary object ; but the question is, whether this bill is the proper mode of making such a provision. I do not think it is, though others may think differently : if this is indeed the best mode, I should wish to see it carried into execution ; for relief is wanted, both by the Treasury and by the country — but first and chiefly by the country.

I do not say that, by the law providing for this deposit, the States have any fixed right to it ; I prefer to put the matter entirely on the footing of convenience and expediency ; and when it is considered what expectations have been raised — that this money has even been already disposed of in advance by the several States for different purposes, such as Internal Improvements, Education, and other great objects — it becomes a question of expediency whether it would not be better to supply the wants of the Treasury by other means.

Another consideration of great importance in my view is this : There are already many disturbing causes in operation, agitating the transactions of society in all the various ramifications of business and commerce. Now, I would ask, sir, is it advisable, is it wise, is it even politic, to introduce, at such a time as this, another great disturbing cause, producing a reversed action, altering the destiny of this money, overthrowing contracts now entered into, disappointing expectations raised, disturbing, unsettling, and deranging still more the already deranged business transactions of the whole country ? I would ask, is it worth while to do this ? I think not.

We are to consider that this money, according to the provisions of the existing law, is to go equally among all the States, and among all the people ; and the wants of the Treasury must be supplied, if supplies be necessary, equally by all the people. It is not a question, therefore, whether some shall have money, and others shall make good the deficiency. All partake in the distribution, and all will contribute to the supply. So that it is a mere question of convenience, and, in my opinion it is decidedly most convenient, on all accounts, that this instalment should follow its present destination, and the necessities of the Treasury be provided for by other means.

Again, if you pass this bill, what is it ? It is mere *brutum fulmen* ; of itself it will not produce any good if you do pass it. All

admit there is no money ; therefore the bill will give no relief to the Treasury. This bill, Mr. President, will not produce to the Secretary one dollar ; he acknowledges himself that at all events it will not produce him many, for he says he wants other aid, and he has applied to Congress for an issue of some millions in Treasury notes. He gets the money, therefore, just as well without this bill as with it ; the bill itself, then, is unnecessary, depriving the States of a sum which the Secretary cannot avail himself of, and which sum, notwithstanding this bill, he proposes to supply by an issue of Government notes.

He calls this collateral aid to the measure of postponement ; but this evidently reverses the order of things, for the Treasury notes are his main reliance ; to them only he looks for immediate relief ; and this instalment now to be withheld is (as a productive source of revenue) only subsequent and collateral to the issue of the notes.

But, now, sir, what sort of notes does the Secretary propose to issue ? He proposes, sir, to issue Treasury notes of small denominations, down even as low as twenty dollars, not bearing interest, and redeemable at no fixed period ; they are to be received in debts due to Government, but are not otherwise to be paid until at some indefinite time there shall be a certain surplus in the Treasury beyond what the Secretary may think its wants require. Now, sir, this is plain, authentic, statutable paper money ; it is exactly a new emission of old continental. If the Genius of the old Confederation were now to rise up in the midst of us, he could not furnish us, from the abundant stores of his recollection, with a more perfect model of paper money. It carries no interest ; it has no fixed time of payment ; it is to circulate as currency ; and it is to circulate on the credit of Government alone, with no fixed period of redemption ! If this be not paper money, pray, sir, what is it ? And, sir, who expected this ? Who expected that in the fifth year of the **EXPERIMENT FOR REFORMING THE CURRENCY**, and bringing it to an absolute gold and silver circulation, the Treasury Department would be found recommending to us a regular emission of **PAPER MONEY** ? This, sir, is quite new in the history of this Government ; it belongs to that of the Confederation, which has passed away.

Since 1789, although we had issued Treasury notes on sundry occasions, we had issued none like these ; that is to say, we have issued none not bearing interest, intended for circulation, and with no fixed mode of redemption. I am glad, however, Mr. President, that the committee have not adopted the Secretary's recommendation, and that they have recommended the issue of Treasury notes of a description more conformable to the practice of the Government.

I think (said Mr. W.) there are ways by which the deposits

with the States might be paid by the funds in the banks ; there are large sums on deposit in some of the States, and an arrangement might be made for the States to receive the notes of their own banks in payment of this instalment, while the Treasury is at the same time relieved by its own measure, and all the inconvenience, disappointment, and disturbance which this bill will necessarily create, would be avoided. At any rate, the payment of this deposit could do no more than in some measure to increase the amount of Treasury notes necessary to be issued ; it is a question of quantity merely. Much of the instalment, I believe, might be paid by judicious arrangements, out of those funds now in the banks, which the Secretary cannot use for other purposes, so that the whole might be provided for, by no great augmentation of the proposed amount of Treasury notes. I am, therefore, of opinion that this instalment should not be withheld : 1st. Because the withholding of it will produce great inconvenience to the States and to the people. 2d. Because provision may be made for paying it without any large addition to the sum which it is proposed to raise, and which, at all events, must be raised for the uses of the Treasury.

In relation to the general subjects of the Message, there is one thing which I intended to have said, but have omitted ; it is this. We have seen the declaration of the President, in which he says that he refrains from suggesting any specific plan for the regulation of the exchanges of the country, and for relieving mercantile embarrassments, or for interfering with the ordinary operation of foreign or domestic commerce ; and that he does this from a conviction that such measures are not within the constitutional province of the General Government ; and yet he has made a recommendation to Congress which appears to me to be very remarkable ; and it is of a measure which he thinks may prove a salutary remedy against a depreciated paper currency. This measure is neither more nor less than a bankrupt law against corporations and other bankers.

Now, Mr. President, it is certainly true that the Constitution authorizes Congress to establish uniform rules on the subject of bankruptcies ; but it is equally true, and abundantly manifest, that this power was not granted with any reference to currency questions. It is a general power — a power to make uniform rules on the subject. How is it possible that such a power can be fairly exercised by seizing on corporations and bankers, but excluding all the other usual subjects of bankrupt laws ? Besides, do such laws ordinarily extend to corporations at all ? But suppose they might be so extended, by a bankrupt law enacted for the usual purposes contemplated by such laws ; how can a law be defended which embraces them and bankers alone ? I should like to hear what the learned gentleman at the head of the Judiciary Committee, to whom the subject is referred, has to say upon it.

How does the President's suggestion conform to his notions of the Constitution? The object of bankrupt laws, sir, has no relation to currency. It is simply to distribute the effects of insolvent debtors among their creditors; and I must say, it strikes me that it would be a great perversion of the power conferred on Congress, to exercise it upon corporations and bankers, with the leading and primary object of remedying a depreciated paper currency.

And this appears the more extraordinary, inasmuch as the President is of opinion that the general subject of the currency is not within our province. Bankruptcy, in its common and just meaning, is within our province. Currency, says the Message, is not. But we have a bankruptcy power in the Constitution, and we will use this power, not for bankruptcy, indeed, but for currency. This, I confess, sir, appears to me to be the short statement of the matter. I would not do the Message, or its author, any intentional injustice, nor create any apparent, where there was not a real, inconsistency; but I declare, in all sincerity, that I cannot reconcile the proposed use of the bankrupt power with those opinions of the Message which respect the authority of Congress over the currency of the country.

Mr. WRIGHT having made some remarks—

Mr. WEBSTER said, in reply, if the Act of 1815 authorized the issuing of Treasury notes, no circulation was ever made of such notes as the Secretary now recommends. All Treasury notes went on the ground of a temporary loan to the Government, to be paid or funded as soon as the Treasury would allow.

The member from New York (Mr. WRIGHT) had said that the question before the Senate was a simple proposition, whether they should borrow money to be safely kept with the States. By him, and by others, it had also been represented as a question, whether they should borrow money to give away. Nobody, Mr. W. thought, would borrow money merely to give away, or deposit for safe-keeping. But he would put it to the honorable member, if any Government had made a contract, or excited an expectation, that a deposit would be made, and the other party had acted on the faith of this assurance, and had nearly completed their arrangements, whether it ought not to supply the means, even if it did not, at the time, possess them. And suppose it was the promise of a gift, instead of a deposit, might it not be found more just to borrow, than to defeat the expectation on which the other party had acted? What was the object of this bill? It was not to repeal, but to postpone what was hereafter to be fulfilled. Such being the case, it was doubtful whether it could ever be transferred to the States with more convenience than it could now from the banks.

During the late war there was great want of money, and a great disposition to use Treasury notes, and pass them as a medium of payment to the public creditors. But in the difficulties and embarrassments of a foreign war, things were done, which, in a day of peace and abundance, we should be slow to do. And one thing which we should be slow to do was, to propose by law that we should pay the public creditors any thing less in value than gold and silver, on the condition that the creditors would voluntarily take it. The Secretary had said that the protested checks now in circulation were only a little depreciated below the value of specie, and argues that these notes will be as good at least as the protested checks. But suppose these notes should be depreciated only a little below the value of silver; was it proposed that they should be offered to the public creditors, if they would receive them? What was meant when it was said that the officers of the Government may pay its creditors in Treasury notes, if they will voluntarily receive them? What was the alternative? Were the gold and silver held in one hand, and the Treasury notes in the other? On the contrary, it was a sort of forced payment, not as good as was required by law. All knew there was no choice. The men who labored in the streets of this city, on the public works, or who furnished the bricks and stones, would come for their pay, and they would be offered Treasury notes, and asked if they were willing to take them. But would there be gold and silver in the other hand? No; nothing but the Treasury notes, and they would be asked if they were willing to take them; and then, if they should take them, that is called voluntary reception.

Now, it is evident that in such a case the only choice is between Treasury notes, on the one hand, and something worse, or nothing at all, on the other. No man can be supposed to receive voluntarily any thing of less value than that which he is legally entitled to. The reception of such inferior medium is always the result of force or necessity, either greater or smaller. Neither the justice nor the dignity of the Government could ever allow of such a course. If Treasury notes were offered to the public creditor, there ought to be an actual choice afforded between them and the specie. And especially, with what an aspect could this Government offer such payment, at the very moment when, with a stern countenance and iron hand, it was demanding of its creditors metallic money for every dollar of its dues? Was it not now the law that no officer of the Government should offer the public creditor any thing less in value than specie? Mr. W. thought, therefore, that the notes proposed by the committee were better than those recommended by the Secretary. He was in favor of that system which would put the public creditor in no such selection as between paper and nothing.

In answer to Mr. BUCHANAN,

Mr. WEBSTER, having obtained and examined the act of 1815, said: The honorable member from Pennsylvania has been kind enough to say that I do not often get into difficulties in debate, and that when I do, I generally extricate myself better than I have done on the present occasion. He partakes in the supposed triumph of his friend from New York, (Mr. WRIGHT,) in having proved me incorrect when I said that this Government had never issued such paper money as the Secretary has now recommended. Now, sir, although I am pleased to see the happiness which the gentleman enjoys, yet I believe I must dash it a little. Most assuredly, sir, it authorizes no such paper as is now proposed. I was persuaded it could not, as I have a pretty good recollection of the proceedings of Congress on such subjects at that time.

The law of 1815 authorized the issue of two classes of Treasury notes: 1st, such as bore no interest, but which, the very hour they were issued, might be funded in a seven per cent. stock, to be redeemed like other stocks of the Government. 2d. Treasury notes bearing an interest of five and two-fifths per cent. capable of being funded in like manner, in a six per cent. stock. These stocks were to be issued on application by any commissioner of the revenue in any State. Now, what comparison is there between either of these classes of Treasury notes and those recommended by the Secretary, which bear no interest, and for which no fixed redemption is provided?

I affirm again, therefore, sir, all that I have said, namely, that the notes recommended by the Treasury are regular paper issues, like the old emissions of Congress and the States before the adoption of the present Constitution, and that no precedent has been found for them, and I am sure none can be found, in the practice of this Government.

SPEECH

ON THE CURRENCY, AND ON THE NEW PLAN FOR COLLECTING
AND KEEPING THE PUBLIC MONEYS. DELIVERED IN THE
SENATE OF THE UNITED STATES, SEPTEMBER 28, 1837.

Mr. PRESIDENT: I am opposed to the doctrines of the Message, to the bill, and to the amendment of the member from South Carolina, [Mr. CALHOUN.] In all these, I see nothing for the relief of the country; but I do see, as I think, a question involved, the importance of which transcends all the interest of the present occasion.

It is my purpose to state that question; to present it, as well to the country as to the Senate; to show the length and breadth of it, as a question of practical politics, and in its bearing on the powers of the Government; to exhibit its importance, and to express my own opinions in regard to it.

A short recital of events and occurrences will show how this question has arisen.

The Government of the United States completed the forty-eighth year of its existence, under the present constitution, on the third day of March last. During this whole period, it has felt itself bound to take proper care of the currency of the country; and no administration has admitted this obligation more clearly or more frequently than the last. For the fulfilment of this acknowledged duty, as well as to accomplish other useful purposes, a National Bank has been maintained for forty, out of these forty-eight years. Two institutions of this kind have been created by law; one, commencing in 1791, and limited to twenty years, and expiring, therefore, in 1811; the other, commencing in 1816, with a like term of duration, and ending, therefore, in 1836. Both these institutions, each in its time, accomplished their purposes, so far as currency was concerned, to the general satisfaction of the country. But before the last bank expired, it had the misfortune to become obnoxious to the late administration. I need not, at present, speak of the causes of this hostility. My purpose only requires a statement of that fact, as an important one in the chain of occurrences. The late President's dissatisfaction of the bank was intimated in his first annual Message, that is to say, in 1829. But the bank stood very well with the country, the President's known and growing hostility notwithstanding.

ing; and in 1832, four years before its charter was to expire, both Houses of Congress passed a bill for its continuance; there being in its favor a large majority of the Senate, and a larger majority of the House of Representatives. The bill, however, was negatived by the President. In 1833, by an order of the President, the public moneys were removed from the custody of the bank, and were deposited with certain selected State banks. This removal was accompanied with the most confident declarations and assurances, put forth in every form, by the President and the Secretary of the Treasury, that these State banks would not only prove safe depositories of the public money, but that they would also furnish the country with as good a currency as it ever had enjoyed, and probably a better; and would also accomplish all that could be wished, in regard to domestic exchanges. The substitution of State banks for a national institution, for the discharge of these duties, was that operation, which has become known, and is likely to be long remembered, as the "Experiment."

For some years, all was said to go on extremely well, although it seemed plain enough to a great part of the community that the system was radically vicious; that its operations were all inconvenient, clumsy, and wholly inadequate to the proposed ends; and that, sooner or later, there must be an explosion. The administration, however, adhered to its experiment. The more it was complained of, the louder it was praised. Its commendation was one of the standing topics of all official communications; and in his last message, in December, 1836, the late President was more than usually emphatic upon the great success of his attempts to improve the currency, and the happy results of the experiment upon the important business of exchange. But a reverse was at hand. The ripening glories of the experiment were soon to meet a dreadful blighting. In the early part of May last, these banks all stopped payment. This event, of course, produced great distress in the country, and it produced also singular embarrassment to the administration.

The present administration was then only two months old; but it had already become formally pledged to maintain the policy of that which had gone before it. The President had avowed his purpose of treading in the footsteps of his predecessor. Here, then, was difficulty. Here was a political knot, to be either untied or cut. The experiment had failed, and failed, as it was thought, so utterly and hopelessly, that it could not be tried again.

What, then, was to be done? Committed against a Bank of the United States in the strongest manner, and the substitute, from which so much was expected, having disappointed all hopes, what was the administration to do? Two distinct classes of duties had been performed, in times past, by the Bank of the United States;

one more immediately to the Government, the other to the community. The first was the safe-keeping and the transfer, when required, of the public moneys; the other, the supplying of a sound and convenient paper currency, of equal credit all over the country, and every where equivalent to specie, and the giving of most important facilities to the operations of exchange. These objects were highly important, and their most perfect accomplishment by the experiment had been promised, from the first. The State banks, it was declared, could perform all these duties, and should perform them. But the "experiment" came to a dishonored end in the early part of May. The deposit banks, with the others, stopped payment. They could not render back the deposits; and so far from being able to furnish a general currency, or to assist exchanges, (purposes, indeed, which they never had fulfilled, with any success,) their paper became immediately depreciated, even in its local circulation. What course, then, was the administration now to adopt? Why, sir, it is plain, that it had but one alternative. It must either return to the former practice of the Government, take the currency into its own hands, and maintain it, as well as provide for the safe-keeping of the public money by some institution of its own; or else, adopting some new mode of merely keeping the public money, it must abandon all further care over currency and exchange. One of these courses became inevitable. The administration had no other choice. The State banks could be tried no more, with the opinion which the administration now entertained of them; and how else could any thing be done to maintain the currency? In no way, but by the establishment of a national institution.

There was no escape from this dilemma. One course was, to go back to that which the party had so much condemned; the other, to give up the whole duty, and leave the currency to its fate. Between these two, the administration found itself absolutely obliged to decide; and it has decided, and decided boldly. It was decided to surrender the duty, and abandon the constitution. That decision is before us, in the Message, and in the measures now under consideration. The choice has been made; and that choice, in my opinion, raises a question of the utmost importance to the people of this country, both for the present and all future time. That question is, WHETHER CONGRESS HAS, OR OUGHT TO HAVE, ANY DUTY TO PERFORM IN RELATION TO THE CURRENCY OF THE COUNTRY, BEYOND THE MERE REGULATION OF THE GOLD AND SILVER COIN.

Mr. President, the honorable member from South Carolina remarked, the other day, with great frankness and good-humor, that in the political classifications of the times, he desired to be considered as nothing but an honest nullifier. That, he said, was his

character. I believe, sir, the country will readily concede that character to the honorable gentleman. For one, certainly, I am willing to say, that I believe him a very honest and a very sincere nullifier, using the term in the same sense in which he used it himself, and in which he meant to apply it to himself. And I am very much afraid, sir, that (whatever he may think of it himself) it has been under the influence of those sentiments, which belong to his character as a nullifier, that he has so readily and so zealously embraced the doctrines of the President's Message. In my opinion, the Message, the bill before us, and the honorable member's amendment, form, together, a system, a code of practical politics, the direct tendency of which is to nullify and expunge, or, perhaps, more correctly speaking, by a united and mixed process of nullification and expunging, to abolish, a highly-important and useful power of the Government. It strikes down the principle upon which the Government has been administered, in regard to the subject of the currency, through its whole history; and it seeks to obliterate, or to draw black lines around, that part of the Constitution on which this principle of administration has rested. The system proposed, in my opinion, is not only anti-commercial, but anti-constitutional also, and anti-union, in a high degree.

You will say, sir, that this is a strong way of stating an opinion. It is so. I mean to state the opinion in the strongest manner. I do not wish, indeed, at every turn, to say, of measures which I oppose, that they either violate or surrender the Constitution. But when, in all soberness and candor, I do so think, in all soberness and candor I must so speak; and whether the opinion which I have now expressed be true, let the sequel decide.

Now, sir, Congress has been called together in a moment of great difficulty. The characteristic of the crisis is commercial distress. We are not suffering from war, or pestilence, or famine; and it is alleged, by the President and Secretary, that there is no want of revenue. Our means, it is averred, are abundant. And yet the Government is in distress, and the country is in distress; and Congress is assembled, by a call of the President, to provide relief. The immediate and direct cause of all is, derangement of the currency and the exchanges; commercial credit is gone, and property no longer answers the common ends and purposes of property. Government cannot use its own means, and individuals are alike unable to command their own resources. The operations, both of Government and people, are obstructed; and they are obstructed, because the money of the country, the great instrument of commerce and exchange, has become disordered and useless. The Government has funds; that is to say, it has credits in the banks, but it cannot turn these credits into cash; and individual citizens are as bad off as Government. The Government is a great creditor

and a great debtor. It collects and it disburses large sums. In the loss, therefore, of a proper medium of payment and receipt, Government is a sufferer. But the people are sufferers from the same causes; and inasmuch as the whole amount of payments and receipts by the people, in their individual transactions, is many times greater than the amount of payments and receipts by Government, the aggregate of evil suffered by the people is also many times greater than that suffered by Government. Individuals have means as ample, in proportion to their wants, as Government; but they share with Government the common calamity arising from the overthrow of the currency. The honorable member from Mississippi [Mr. WALKER] has stated, or has quoted the statement from others, that while the payments and receipts of Government are twenty millions a year, the payments and receipts of individuals are two or three hundred millions. He has, I think, underrated the amount of individual payments and receipts. But even if he has not, the statement shows how little a part of the whole evil falls on Government. The great mass of suffering is on the people.

Now, sir, when we look at the Message, the bill, and the proposed amendment, their single, exclusive, and undivided object is found to be, *relief to the Government*. Not one single provision is adopted or recommended, with direct reference to the relief of the people. They all speak of revenue, of finance, of duties and customs, of taxes and collections; and the evils which the people suffer, by the derangement of the currency and the exchanges, and the breaking up of commercial credit, instead of being put forth as prominent and leading objects of regard, are dismissed with a slight intimation, here and there, that in providing for the superior and paramount interests of Government, some incidental or collateral benefits may, perhaps, accrue to the community. But is Government, I ask, to care for nothing but itself? Is self-preservation the great end of Government? Has it no trust powers? Does it owe no duties, but to itself? If it keeps itself in being, does it fulfil all the objects of its creation? I think not. I think Government exists, not for its own ends, but for the public utility. It is an agency, established to promote the common good, by common counsels; its chief duties are to the people; and it seems to me strange and preposterous, in a moment of great and general distress, that Government should confine all its deliberations to the single object of its own revenues, its own convenience, its own undisturbed administration.

I cannot say, sir, that I was surprised to see this general character impressed on the face of the Message. I confess it appeared to me, when the banks stopped payment, that the administration had come to a pass in which it was unavoidable that it should take some such course. But that necessity was imposed, not by the nature of

the crisis, but by its own commitment to the line of politics which its predecessor had adopted, and which it had pledged itself to pursue.

It withdraws its care from the currency, because it has left itself no means of performing its own duties, connected with that subject. It has, voluntarily and on calculation, discarded and renounced the policy which has been approved for half a century, because it could not return to that policy without admitting its own inconsistency, and violating its party pledges. This is the truth of the whole matter.

Now, sir, my present purpose chiefly is, to maintain two propositions —

I. That it is the constitutional duty of this Government to see that a proper currency, suitable to the circumstances of the times, and to the wants of trade and business, as well as to the payment of debts due to Government, be maintained and preserved; a currency of general credit, and capable of aiding the operations of exchange, so far as those operations may be conducted by means of the circulating medium; and that there are duties, therefore, devolving on Congress, in relation to currency, beyond the mere regulation of the gold and silver coins.

II. That the Message, the bill, and the proposed amendment, all, in effect, deny any such duty, disclaim all such power, and confine the constitutional obligation of Government to the mere regulation of the coins, and the care of its own revenues.

I have well weighed, Mr. President, and fully considered, the first of these propositions; to wit, that which respects the duty of this Government, in regard to the currency. I mean to stand by it. It expresses, in my judgment, a principle fully sustained by the Constitution, and by the usage of the Government, and which is of the highest practical importance. With this proposition, or this principle, I am willing to stand connected, and to share in the judgment which the community shall ultimately pronounce upon it. If the country shall sustain it, and be ready, in due time, to carry it into effect, by such means and instruments as the general opinion shall think best to adopt, I shall coöperate, cheerfully, in any such undertaking; and shall look again, with confidence, to prosperity in this branch of our national concerns. On the other hand, if the country shall reject this proposition, and act on that rejection; if it shall decide that Congress has no power, nor is under any duty, in relation to the currency, beyond the mere regulation of the coins; then, upon that construction of the powers and duties of Congress, I am willing to acknowledge that I do not feel myself competent to render any substantial service to the public councils, on these great interests. I admit, at once, that if the currency is not to be preserved by the Government of the United States, I know not

how it is to be guarded against constantly occurring disorders and derangements.

Before entering into the discussion of the grounds of this proposition, however, allow me, sir, a few words by way of preliminary explanation. In the first place, I wish it to be observed, that I am now contending only for the general principle, and not insisting either on the constitutionality, or expediency, of any particular means, or any particular agent. I am not saying by what instrument or agent Congress ought to perform this duty; I only say it is a duty, which, in some mode, and by some means, Congress is bound to perform. In the next place, let it be remembered, that I carry the absolute duty of Government, in regard to exchange, no farther than the operations of exchange may be performed by currency. No doubt, sir, a proper institution, established by Government, might, as heretofore, give other facilities to exchange, of great importance, and to a very great extent. But I intend, on this occasion, to keep clearly within the Constitution, and to assign no duty to Congress, not plainly enjoined by the provisions of that instrument, as fairly interpreted, and as heretofore understood.

The President says, it is not the province of Government to aid individuals in the transfer of their funds, otherwise than by the use of the post-office; and that it might as justly be called on to provide for the transportation of their merchandise.

Now, I beg leave to say, sir, with all respect and deference, that funds are transferred from individual to individual, usually for the direct purpose of the payment and receipt of debts; that payment and receipt are duties of currency; that, in my opinion, currency is a thing which Government is bound to provide for and superintend; that the case, therefore, has not the slightest resemblance to the transportation of merchandise, because the transportation of merchandise is carried on by ships and boats, by carts and wagons, and not by the use of currency, or of any thing else over which Government has usually exclusive control. These things individuals can provide for themselves. But the transfer of funds is done by credit, and must be so done; and some proper medium for this transfer it is the duty of Government to provide, because it belongs to currency, to money, and is therefore beyond the power of individuals.

The nature of exchange, sir, is well understood by persons engaged in commerce; but as its operations are a little out of the sight of other classes of the community, although they have all a deep and permanent interest in the subject, I may be pardoned for a word or two of general explanation. I speak of domestic exchanges only. We mean, then, by exchange, this same transfer of funds. We mean the making of payment in a distant place, or the receiving of payment from a distant place, by some mode of paper credits. If done by draft, order, or bill of exchange, that is one form; if

done by the transmission of bank notes, through the post-office, or otherwise, that is another form. In each, credit is used; in the first, the credit of the parties whose names are on the bill or draft; in the last, the credit of the bank. Every man, sir, who looks over this vast country, and contemplates the commercial connection of its various parts, must see the great importance that this exchange should be cheap and easy. To the producer and to the consumer, to the manufacturer and the planter, to the merchant, to all, in all classes, this becomes matter of moment. We may see an instance in the common articles of manufacture produced in the north, and sent to the south and west for sale and consumption. Hats, shoes, furniture, carriages, domestic hard-ware, and various other articles, the produce of those manufactories, and of those employments which are carried on without the aid of large capital, constitute a large part of this trade, as well as the fabrics of cotton and wool. Now, a state of exchange, which shall enable the producers to receive payment regularly, and without loss, is indispensable to any useful prosecution of this intercourse. Derangement of currency and exchange is ruinous. The notes of local banks will not answer the purpose of remittance; and if bills of exchange cannot be had, or can be had only at a high rate, how is payment to be received, or to be received without great loss? This evil was severely felt, even before the suspension of specie payment by the banks; and it will always be felt, more or less, till there is a currency of general credit and circulation through the country. But when the banks suspended, it became overwhelming. All gentlemen having northern acquaintance, must know the existence of this evil. I have heard it said, that the hitherto prosperous and flourishing town of Newark has already lost a considerable part of its population by the breaking up of its business, in consequence of these commercial embarrassments. And in cases in which business is not wholly broken up, if five or six per cent., or more, is to be paid for exchange, it by so much enhances the cost to the consumer, or takes away his profit from the producer. I have mentioned these articles of common product of northern labor; but the same evil exists in all the sales of imported goods; and it must exist, also, in the south, in the operations connected with its great staples. All the south must have, and has, constant occasion for remittance by exchange; and no part of the country is likely to suffer more severely by its derangement. In short, there can be no satisfactory state of internal trade, when there is neither cheapness, nor promptness, nor regularity, nor security, in the domestic exchanges.

I say again, sir, that I do not hold Government bound to provide bills of exchange, for purchase and sale. Nobody thinks of such a thing. If any institution established by Government can do this, as might be the case, and has been the case, so much the better.

But the positive obligation of Government I am content to limit to currency, and, so far as exchange is concerned, to the aid which may be afforded to exchange by currency. I have been informed that, a few years ago, before the charter of the late bank expired, at those seasons of the year when southern and western merchants usually visit the northern cities to make purchases, or make payment for existing liabilities, that bank redeemed its notes to the amount of fifty or even a hundred thousand dollars a day. These notes, having been issued in the west, were brought over the mountains, as funds to be used in the eastern cities. This was exchange; and it was exchange through the medium of currency; it was perfectly safe, and it cost nothing. This fact illustrates the importance of a currency of universal credit, to the business of exchange.

Having made these remarks, for the purpose of explaining exchange, and showing its connection with currency, I proceed to discuss the general propositions.

Is it the duty, then, of this Government, to see that a currency be maintained, suited to the circumstances of the times, and to the uses of trade and commerce?

I need not, sir, on this occasion, enter historically into the well-known causes, which led to the adoption of the present Constitution. Those causes are familiar to all public men; and among them, certainly, was this very matter of giving credit and uniformity to the money system of the country. The States possessed no system of money and circulation; and that was among the causes of the stagnation of commerce. Indeed, all commercial affairs were in a disjointed, deranged, and miserable state. The restoration of commerce, the object of giving it uniformity, credit, and national character, were among the first incentives to a more perfect union of the States. We all know that the meeting at Annapolis, in 1786, sprang from a desire to attempt something which should give uniformity to the commercial operations of the several States; and that in and with this meeting, arose the proposition for a general convention, to consider of a new constitution of government. Every where, State currencies were depreciated, and continental money was depreciated also. Debts could not be paid, and there was no value to property. From the close of the war to the time of the adoption of this Constitution, as I verily believe, the people suffered as much, except in the loss of life, from the disordered state of the currency and the prostration of commerce and business, as they suffered during the war. All our history shows the disasters and afflictions which sprang from these sources; and it would be waste of time to go into a detailed recital of them. For the remedy of these evils, as one of its great objects, and as great as any one, the Constitution was formed and adopted.

Now, sir, by this Constitution, Congress is authorized to "coin

money, to regulate the value thereof, and of foreign coins ;” and all the States are prohibited from coining money, and from making any thing but gold and silver coins a tender in payment of debts. Suppose the Constitution had stopped here, it would still have established the all-important point of a uniform money system. By this provision Congress is to furnish coin, or regulate coin, for all the States. There is to be but one money-standard for the country. And the standard of value to be established by Congress is to be a currency, and not bullion merely ; because we find it is to be *coin* ; that is, it is to be one or the other of the precious metals, bearing an authentic stamp of value, and passing therefore by tale. That is to be the standard of value. A standard of value, therefore, and a money for circulation, were thus expressly provided for. And if nothing else had been done, would it not have been a reasonable and necessary inference from this power, that Congress had authority to regulate, and must regulate and control, any and all paper, which either States or individuals might desire to put into circulation, purporting to represent this coin, and to take its place, in the uses of trade and commerce ? It is very evident that the Constitution intended something more than to provide a medium for the payment of debts to Government. The object was a uniform currency for the use of the whole people, in all the transactions of life ; and it was manifestly the intent of the Constitution, that the power to maintain such a currency should be given to Congress. But it would make the system incongruous and incomplete ; it would be denying to Congress the means necessary to accomplish ends which were manifestly intended ; it would render the whole provision in a great measure nugatory, if, when Congress had established a coin for currency and circulation, it should have no power to maintain it as an actual circulation, nor to regulate or control paper emissions designed to occupy its place, and perform the same functions that it would on the coinage power alone ; and on a fair, and just, and reasonable inference from it, therefore, I should be of opinion that Congress was authorized, and was bound, to protect the community against all evils which might threaten from a deluge of currency of another kind, filling up, in point of fact, all the channels of circulation. And this opinion is not new. It has often been expressed before, and was cogently urged by Mr. Dallas, the Secretary of the Treasury, in his report in 1816. He says, “ Whenever the emergency occurs, that demands a change of system, it seems necessarily to follow, that the authority, which was alone competent to establish the national coin, is alone competent to create a national substitute.”

But the Constitution does not stop with this grant of the coinage power to Congress. It expressly prohibits the States from issuing *bills of credit*. What a bill of credit is, there can be no difficulty

in understanding, by any one acquainted with the history of the country. They had been issued, at different times, and in various forms, by the State Governments. The object of them was to create a paper circulation; and any paper, issued on the credit of the State, and intended for circulation from hand to hand, is a bill of credit, whether made a tender for debts or not, or whether carrying interest or not. Is it issued with intent that it shall circulate from hand to hand, as money, and with intent that it shall so circulate on the credit of the State? If it is, it is a bill of credit. The States, therefore, are prohibited from issuing paper for circulation, on their own credit; and this provision furnishes additional and strong proof, that all circulation, whether of coin or paper, was intended to be subject to the regulation and control of Congress. Indeed, the very object of establishing one commerce for all the States, and one money for all the States, would otherwise be liable to be completely defeated. It has been supposed, nevertheless, that this prohibition on the States has not restrained them from granting to individuals, or to private corporations, the power of issuing notes for circulation, on their own credit. This power has long been exercised, and is admitted to exist. But could it be reasonably maintained, looking only to these two provisions, (that is to say, to the coinage power, which is vested exclusively in Congress, and to the prohibition on the States against issuing their own paper for circulation,) that Congress could not protect its own power, and secure to the people the full benefits intended by and for them against evils and mischiefs, if they should arise, or threaten to arise, not from paper issued by States, but from paper issued by individuals or private corporations? If this be so, then the coinage power evidently fails of a great part of its intended effect; and the evils, intended to be prevented by the prohibitions on the States, may all arise, and become irresistible and overwhelming in another form.

But the Message intimates a doubt whether this power over the coin was given to Congress to preserve the people from the evils of paper money, or only given to protect the Government itself. I cannot but think this very remarkable and very strange. The language of the President is, "There can be no doubt that those who framed and adopted the Constitution, having in immediate view the depreciated paper of the Confederacy, of which five hundred dollars in paper were at times equal to only one dollar in coin, intended to prevent the recurrence of similar evils, so far at least as related to the transactions of the new Government." Where is the foundation for the *qualification* here expressed? On what clause, or construction of any clause, is it founded? Will any gentleman tell me what there is in the Constitution which led the President, or which could lead any man, to doubt whether it was the purpose of that instrument to protect the people, as well as the Government,

against the overwhelming evils of paper money? Is there a word or particle in the coinage power, or any other power, which countenances the notion that the Constitution intended that there should be one money for the Government, and another for the people; that Government should have the means of protecting its own revenues against depreciated paper, but should be still at liberty to suffer all the evils of such paper to fall with full weight upon the people? This is altogether a new doubt. It intimates an opinion, which, so far as it shall find those who are ready to adopt and follow it, will sap and undermine one of the most indispensable powers of the Government. The coinage power is given to Congress in general terms; it is altogether denied to the States; and the States are prohibited from issuing bills of credit for any purpose whatever, or of any character whatever. Can any man hesitate one moment to say that these provisions are all intended for the general good of the people? I am therefore surprised at the language of the Message in this particular, and utterly at a loss to know what should have led to it, except the apparent and foregone conclusion and purpose, of attempting to justify Congress in the course which was about to be recommended to it, of abstaining altogether from every endeavor to improve or maintain the currency, except so far as the receipts and payments of the Government itself were concerned. I repeat, sir, that I should be obliged to any friend of the administration, who would suggest to me on what ground this doubt, never expressed before, and now so solemnly and gravely intimated, is supposed to stand. Is it, indeed, uncertain, is it matter of grave and solemn doubt, whether the coinage power itself, so fully granted to Congress, and so carefully guarded by restraints upon the States, had any further object than to enable Congress to furnish a medium in which taxes might be collected?

But this power over the coinage is not the strongest, nor the broadest, ground on which to place the duty of Congress. There is another power granted to Congress, which seems to me to apply to this case, directly and irresistibly, and that is the commercial power. The Constitution declares that Congress shall have power to regulate commerce, not only with foreign nations, *but between the States*. This is a full and complete grant, and must include authority over every thing which is part of commerce, or essential to commerce. And is not money essential to commerce? No man, in his senses, can deny that; and it is equally clear, that whatever paper is put forth, with intent to circulate as currency, or to be used as money, immediately affects commerce. Bank notes, in a strict and technical sense, are not, indeed, money; but, in a general sense, and often in a legal sense, they are money. They are substantially money, because they perform the functions of money. They are not, like bills of exchange or common promissory notes,

mere proofs or evidences of debt, but are treated as money, in the general transactions of society. If receipts be given for them, they are given as for money. They pass under a legacy, or other form of gift, as money. And this character of bank notes was as well known and understood at the time of the adoption of the Constitution as it is now. The law, both of England and America, regarded them as money, in the sense above expressed. If Congress, then, has power to regulate commerce, it must have a control over that money, whatever it may be, by which commerce is actually carried on. Whether that money be coin or paper, or however it has acquired the character of money or currency, if, in fact, it has become an actual agent or instrument in the performance of commercial transactions, it necessarily thereby becomes subject to the regulation and control of Congress. The regulation of money is not so much an inference from the commercial power conferred on Congress, as it is a part of it. Money is one of the things, without which, in modern times, we can form no practical idea of commerce. It is embraced, therefore, necessarily, in the terms of the Constitution.

But, sir, as will be seen by the proposition which I have stated, I go further ; I insist that the duty of Congress is commensurate with its power ; that it has authority not only to regulate and control that, which others may put forth as money and currency, but that it has the power, and is bound to perform the duty, of seeing that there is established and maintained, at all times, a currency of general credit, equivalent in value to specie, adapted to the wants of commerce and the business of the people, and suited to the existing circumstances of the country. Such a currency is an instrument of the first necessity to commerce, according to the commercial system of the present age ; and commerce cannot be conducted, with full advantage, without it. It is in the power of Congress to furnish it, and it is in the power of nobody else. The States cannot supply it. That resource has often been tried, and has always failed. I am no enemy to the State banks ; they may be very useful in their spheres ; but you can no more cause them to perform the duties of a national institution, than you can turn a satellite into a primary orb. They cannot maintain a currency of equal credit all over the country. It might be tried, sir, in your State of Kentucky, or our State of Massachusetts. We may erect banks on all the securities which the wit of man can devise ; we may have capital, we may have funds, we may have bonds and mortgages, we may add the faith of the State, we may pile Pelion upon Ossa ; they will be State institutions after all, and will not be able to support a national circulation. This is inherent in the nature of things, and in the sentiments of men. It is in vain to argue that it ought not to be so, or to contend that one bank may be as safe as

another. Experience proves that it is so, and we may be assured it will remain so.

Sir, mine is not the ruthless hand that shall strike at the State banks, nor mine the tongue that shall causelessly upbraid them with treachery or perfidy. I admit their lawful existence; I admit their utility in the circle to which they properly belong. I only say, they cannot perform a national part in the operations of commerce. A general and universally accredited currency, therefore, is an instrument of commerce, which is necessary to the enjoyment of its just advantages, or, in other words, which is essential to its beneficial regulation. Congress has power to establish it, and no other power can establish it; and therefore Congress is bound to exercise its own power. It is an absurdity, on the very face of the proposition, to allege that Congress shall regulate commerce, but shall, nevertheless, abandon to others the duty of maintaining and regulating its essential means and instruments. We have in actual use a mixed currency; the coin circulating under the authority of Congress, the paper under the authority of the States. But this paper, though it fills so great a portion of all the channels of circulation, is not of general and universal credit; it is made up of various local currencies, none of which has the same credit, or the same value, in all parts of the country; and therefore these local currencies answer, but very loosely and deficiently, the purposes of general currency, and of remittance. Now, is it to be contended that there is no remedy for this? Are we to agree, that the Constitution, with all its care, circumspection, and wisdom, has, nevertheless, left this great interest unprovided for? Is our commercial system so lame and impotent? Are our constitutional provisions and our political institutions so radically defective? I think not, sir. They do not deserve this reproach; and I think it may now be easily shown that, under all administrations, from General Washington's time down to the 3d of March last, the Government has felt and acknowledged its obligation, in regard to the currency, to the full extent in which I have stated it, and has constantly endeavored to fulfil that obligation. Allow me to go back to the beginning, and trace this matter down to our times, a little in detail.

In his first speech to Congress, in 1789, having just then assumed his new office, General Washington recommended no particular subjects to the consideration of Congress; but in his speech, at the opening of the second session, he suggested the importance of a uniform currency, without distinguishing coinage from paper; and this body, in its answer, assured him that it was a subject which should receive its attention. Recollect, sir, at that time, that there were State banks having notes in circulation, though they were very few. The first Bank of the United States was established at

the third session of the Congress, in 1791. The bill for its creation originated in the Senate; the debates in which were at that time not public. We have, however, the debates in the House, we have the reports of the Secretaries, and we have the law itself. Let us endeavor to learn, from these sources, *for what objects this institution was created, and whether a national currency was one of those objects.*

Certainly, sir, it must be admitted that currency was not the only object in incorporating the bank of 1791. The Government was new; its fiscal affairs were not well arranged; it was greatly in debt; and the political state of things at the time rendered it highly probable that sudden occasions for making loans would arise. That it might assist the operations of the Treasury, therefore, and that it might make those loans to Government, if pressing occasions should arise, were two of the purposes had in view in establishing the bank. But it is equally clear that there was a third purpose, and that respected commerce and currency. *To furnish a currency for general circulation, and to aid exchange, was, demonstrably, a clear, distinct, and avowed object, in the creation of the first bank.*

On the 13th of December, 1790, the Secretary of the Treasury made a report to the House of Representatives, recommending a national bank. In this report, he set forth the advantages of such an institution; one of these advantages, he says, consists "in increasing the quantity of circulating medium, and quickening the circulation." And he then proceeds to observe — "This last may require some illustration. When payments are to be made between different places, having an intercourse of business with each other, if there happen to be no private bills at market, and there are no bank notes which have a currency in both, the consequence is, that coin must be remitted. This is attended with trouble, delay, expense, and risk. If, on the contrary, there are bank notes current in both places, the transmission of these, by the post, or any other speedy or convenient conveyance, answers the purpose; and these again, in the alternations of demand, are frequently returned, very soon after, to the place whence they were first sent; whence the transportation and retransportation of the metals are obviated, and a more convenient and a more expeditious medium of payment is substituted."

Is not this clear proof, that one object, in establishing the bank, in the opinion of the Secretary, was the creation of a currency which should have general credit throughout the country, and, by means of such credit, should become a convenient and expeditious medium of exchange? Currency, sir, currency and exchange were then, beyond all doubt, important objects, in the opinion of the proposer of the measure, to be accomplished by the institution. The debates which took place in the House of Representatives, confirm the same idea. Mr. Madison, who objected to the bill on constitu-

tional grounds, admitted, nevertheless, that one of the advantages of a bank consists "in facilitating occasional remittances from different places where notes happen to circulate;" and Mr. Ames, who was one of the most distinguished friends of the measure, and who represented a commercial district, enlarged on the great benefit of the proposed institution to commerce. He insisted that the intercourse between the States could never be on a good footing, without an institution whose paper would circulate more extensively than that of any State bank; and what he saw in the future, we have seen in the past, and feel in the present. Other gentlemen, also, contended that some such institution was necessary, in order to enable Congress to regulate the commerce of the country, and, for that reason, that it would be constitutional, as being proper means for a lawful end.

When the bill had passed the two Houses, the President, as we all know, asked the opinion of his cabinet upon its constitutionality. The Secretary of State and the Attorney General were against it; the Secretary of the Treasury was in favor of it; and among the grounds on which he placed the right of Congress to pass the law, was its adaptation to the exercise of the commercial power, conferred by the Constitution on Congress. His language is—"The institution of a bank has, also, a natural relation to the regulation of trade between the States, in so far as it is conducive to the creation of a convenient medium of exchange between them, and to the keeping up a full circulation, by preventing the frequent displacement of the metals in reciprocal remittances. Money is the very hinge on which commerce turns. And this does not mean merely gold and silver; many other things have served the purpose, with different degrees of utility. Paper has been extensively employed. It cannot, therefore, be admitted, with the Attorney General, that the regulation of trade between the States, as it concerns the medium of circulation and exchange, ought to be considered as confined to coin." "And it is," he adds, "in reference to these general relations of commerce, that an establishment which furnishes facilities to circulation, and a convenient medium of exchange and alienation, is to be regarded as a regulation of trade."

Nothing can be plainer, sir, than this language; and therefore nothing is more certain than that those who recommended and supported the first bank, regarded it as a fit and necessary measure, in order to enable Congress to exercise its important duty of regulating commerce, and to fulfil, especially, that part of the duty which enjoined upon it the provision of a proper and suitable currency for circulation and exchange.

But it is not necessary to rely on these opinions of individual friends of the measure. Let the act speak for itself. Let us look into it, and search its reasons on its own face. What are the

grounds and objects of the law, as set forth in the law itself? The preamble tells us. It declares —

“That the establishing of a bank will be very conducive to the successful conducting of the national finances; and will tend to give facility to the obtaining of loans, for the use of Government, in sudden emergencies; *and will be productive of considerable advantage to trade and industry in general.*”

Trade and industry in general, therefore, constituted one distinct and definite object of the incorporation, if the law truly expounds its own purposes. It was not revenue alone; it was not the facility of making loans, merely; it was not mere utility to Government; but, in addition to these, it was commerce; it was the interests of the people; it was trade and business in general, which, among other considerations, formed an important part of the objects of the incorporation. And indeed, sir, events proved that it was vastly the most important part of all. What else did the first bank do, for the Government or the country, at all to be compared, in the amount of benefit, to its influence on the currency and the exchanges?

It is as clear as demonstration, therefore, that the Government, in General Washington's time, did feel itself authorized by the Constitution, and bound in duty, to provide a safe currency, of general credit, for circulation and for exchange. It did provide such a currency. It is remarkable enough, so comparatively small was the mere object of keeping the public money, that no provision for that purpose was inserted in the charter; nor was there any law on the subject, so far as I remember, till the year 1800.

The bank went into operation, and its success was great and instantaneous; and during the whole period of its existence, there was no complaint of the state of the currency or the exchanges.

And now, sir, let me ask, what was it that gave this success to the new institution? Its capital was small, and Government had no participation in its direction; it was committed entirely to individual management and control.

Its notes, it is true, were made receivable in payments to Government: that was one advantage. It had a solid capital, and its paper was at all times convertible into gold and silver, at the will and pleasure of the holder: that was another and a most important ground of its prosperity. But, sir, there was something more than all this. There was something which touched men's sentiments, as well as their understandings. There was a cause which carried the credit of the new-born bank, as on the wings of the wind, to every quarter and every extremity of the country. There was a charm, which created trust, and faith, and reliance, not only in the great marts of commerce, but in every corner into which money, in any form, could penetrate. That cause was its nationality of character.

It had the broad seal of the Union to its charter. It was the institution of the nation, established by that new Government, which the people already loved; and it was known to be designed to revive and foster that commerce, which had so long been prostrate and lifeless.

Mr. President, let it be borne in mind that I am not now arguing the constitutionality, or present expediency, of a bank of the United States. My sentiments are already well known on that subject; and, if they were not, the subject is not now before us.

But I have adverted to the history of the first bank, and examined the grounds on which, and the purposes for which, it was established, in order to show the fact, that this Government, from the first, has acknowledged the important duty and obligation of providing for currency and exchange, as part of the necessary regulation of commerce. I do not mean, at present, to say that a bank is the only, or the indispensable, means by which this duty can and must be performed; although I certainly think it the best. Yet I will not set limits to the wisdom and sagacity of gentlemen, in the invention and adaptation of means. If they do not like a bank, let them try whatever they do like. If they know a better instrument, or agent, let them use it. But I maintain that the performance of the duty, by some means, or some instrument, or some agent, is indispensable; and that so long as it shall be neglected, so long the commerce and business of the country must suffer.

The history of the late Bank of the United States manifests, as clearly as that of the first, that the Government, in creating it, was acting, avowedly, in execution of its duty, in regard to the currency. Fiscal aid, except so far as the furnishing of a currency was concerned, was hardly thought of. Its bills were made receivable for revenue, indeed; but that provision, as far as it went, was obviously a provision for currency. Currency for the revenue, however, was not the leading object. The leading object was currency for the country.

The condition of things, at that time, was very much like that which now exists. The revenue of the Government was entirely adequate to all its wants; but its operations were all obstructed by the derangement of the currency, and the people were as bad off as the Government. The banks, or most of them, had suspended payments. Their paper was depreciated, in various degrees; the exchanges were all disordered, and the commerce of the country thrown into confusion. Government and people were all rich; but, with all their riches, they had no money. Both might apply to themselves what Mr. Addison, being a much readier writer than speaker, said of himself, when he observed, that although he could draw for a thousand pounds, he had not a guinea in his pocket.

Mr. Madison, at that time, was President of the United States.

He had been one of the opposers of the first bank, on constitutional grounds, but he had yielded his own opinions to the general sentiment of the country, and to the consideration that the power had been established and exercised. He was not a man who carried his respect for himself, and his own opinions, so far as to overcome his respect for all other men's judgments. Wise men, sir, are sometimes wise enough to surrender their own opinions, or at least to see that there is a time when questions must be considered as settled. Mr. Madison was one of these. In his annual Message, in December, 1815, he says —

"The arrangements of the finances, with a view to the receipts and expenditures of a permanent peace establishment, will necessarily enter into the deliberations of Congress during the present session. It is true, that the improved condition of the public revenue will not only afford the means of maintaining the faith of the Government with its creditors inviolate, and of prosecuting successfully the measures of the most liberal policy, but will also justify an immediate alleviation of the burdens imposed by the necessities of the war. It is, however, essential to every modification of the finances, that the benefits of a uniform national currency should be restored to the community. The absence of the precious metals will, it is believed, be a temporary evil; but, until they can again be rendered the general medium of exchange, it devolves on the wisdom of Congress to provide a substitute, which shall equally engage the confidence, and accommodate the wants of the citizens throughout the Union. If the operation of the State banks cannot produce this result, the probable operation of a national bank will merit consideration; and if neither of these expedients be deemed effectual, it may become necessary to ascertain the terms upon which the notes of the Government (no longer required as an instrument of credit) shall be issued, upon motives of general policy, as a common medium of circulation."

Here, sir, is the express recommendation to Congress to provide a "NATIONAL CURRENCY," a paper currency, a uniform currency, for the uses of the community, as a substitute for the precious metals, and as a medium of exchange. It devolves on Congress, says Mr. Madison, to provide such a substitute as shall engage the confidence and accommodate the wants of the citizens throughout the Union; and if the State banks cannot produce this result, a national bank will merit consideration. Can language be more explicit? Currency, national currency, currency for exchange, currency which shall accommodate all the people, is the great, and leading, and, I may add, the sole and single object of the recommendation.

Contrast now, sir, this language, and these sentiments, with those of the Message before us. Did Mr. Madison confine his recommendation to such measures of relief as might be useful to Government merely? Did he look exclusively to the Treasury? Did he content himself with suggesting a proper medium for the receipt of revenue, or a proper deposit for its safe-keeping? Far otherwise. His view was general, statesmanlike, and fitted to the

exigency of the times. The existing evil was one which afflicted the whole country; and the remedy proposed by him was, as it should have been, commensurate with the whole evil. And, sir, what a shock it would have produced at that time, if Mr. Madison, seeing the prostrate state of commerce and business all around him, had recommended to Congress to do nothing in the world but to take care that the taxes were collected, and those in the employment of Government well paid!

Well, sir, what was done with this Message? Why, sir, the House of Representatives resolved, "that so much of the President's Message as related to a uniform national currency, should be referred to a select committee." Such a committee was raised, and the honorable member from South Carolina was placed at its head, as he well deserved to be, from his standing in the House, and his well-known opinions on this subject. The honorable member was thus at the head of a committee, appointed, not on the subject of a revenue currency, or a currency for Government, but a **UNIFORM NATIONAL CURRENCY**; and, to effect the great object of this appointment, he brought in a bill for the establishment of a **Bank of the United States**.

As had been the case formerly, so on this occasion, the Secretary of the Treasury made a report on the subject. And now hear, sir, what he says of the duty of Congress to provide a national currency, and of the objects which he proposes by the establishment of a national bank.

"The constitutional and legal foundation of the monetary system of the United States is thus distinctly seen; and the power of the Federal Government to institute and regulate it, whether the circulating medium consist of coin, or of bills of credit, must, in its general policy, as well as in the terms of its investment, be deemed an exclusive power. It is true, that a system depending upon the agency of the precious metals, will be affected by the various circumstances which diminish their quantity, or deteriorate their quality. The coin of a State sometimes vanishes under the influence of political alarms; sometimes in consequence of the explosion of mercantile speculations; and sometimes by the drain of an unfavorable course of trade. But, whenever the emergency occurs that demands a change of system, it seems necessarily to follow, that the authority which was alone competent to establish the national coin, is alone competent to create a national substitute. It has happened, however, that the coin of the United States has ceased to be the circulating medium of exchange, and that no substitute has hitherto been provided by the national authority. During the last year, the principal banks established south and west of New England resolved, that they would no longer issue coin in payment of their notes, or of the drafts of their customers for money received upon deposit. In this act the Government of the United States had no participation; and yet the immediate effect of the act was to supersede the only legal currency of the nation. By this act, although no State can constitutionally emit bills of credit, corporations, erected by the several States, have been enabled to circulate a paper medium, subject to many of the practical inconveniences of the prohibited bills of credit."

"Of the services rendered to the Government by some of the State banks during the late war, and of the liberality by which some of them are actuated in their intercourse with the Treasury, justice requires an explicit acknowledgment. It is a fact, however, incontestably proved, that those institutions cannot, at this time, be successfully employed to furnish a uniform national currency. The failure of one attempt to associate them, with that view, has already been stated. Another attempt, by their agency in circulating Treasury notes, to overcome the inequalities of the exchanges, has only been partially successful. And a plan recently proposed, with the design to curtail the issues of bank notes, to fix the public confidence in the administration of the affairs of the banks, and to give to each bank a legitimate share in the circulation, is not likely to receive the general sanction of the banks. The truth is, that the charter restrictions of some of the banks, the mutual relation and dependence of the banks of the same State, and even of the banks of the different States, and the duty which the directors of each bank conceive they owe to their immediate constituents, upon points of security or emolument, interpose an insuperable obstacle to any voluntary arrangement, upon national considerations alone, for the establishment of a national medium through the agency of the State banks."

"The establishment of a national bank is regarded as the best, and perhaps the only adequate resource, to relieve the country and the Government from the present embarrassment. Authorized to issue notes, which will be received in all payments to the United States, the circulation of its issues will be coëxtensive with the Union; and there will exist a constant demand, bearing a just proportion to the annual amount of the duties and taxes to be collected, independent of the general circulation for commercial and social purposes. A national bank will, therefore, possess the means and the opportunity of supplying a circulating medium, of equal use and value in every State, and in every district of every State.

"The power of the Government to supply and maintain a paper medium of exchange, will not be questioned; but, for the introduction of that medium, there must be an adequate motive."

"Upon the whole, the state of the national currency, and other important considerations connected with the operations of the Treasury, render it a duty respectfully to propose —

"That a national bank be established."

This language, it must be admitted, is explicit enough, both in regard to the power and the duty; and the whole report bears very little resemblance, most certainly, to the official paper from the Treasury Department now before us.

When the bill was called up, the honorable member from South Carolina explained its objects in an able speech. He showed the absolute necessity of a national currency; the power of Congress over such currency, whether metallic or paper; and the propriety and expediency of establishing a bank, as the best means of exercising these powers and fulfilling these duties. I agreed then, and I agree now, to the general sentiments expressed in that speech, heartily and entirely. I would refer to it, on this occasion, both as an able argument and a high authority; and beg to adopt it, as setting forth, in a strong light, the sentiments which I am now endeavoring to enforce.

[Mr. CALHOUN here rose to make an explanation. He said

that he never saw the reporter's notes of his speech on that occasion, and, therefore, what he did say, may not have been what he would have said. There were points of omission in that speech, which occupied a column and a half of the *National Intelligencer*. Mr. C. said, that he took care then, as now, to fortify himself, and leave a road open to oppose, at any coming time, a national bank. He then said that he was opposed to a bank, but that he submitted to the necessity of the case. There was then a connection between the Government and the banks; and if the Government had a right to regulate the currency, there was no means of doing it but by a national bank. He had, both then and since then, contended that Government had no right to have any connection with any banks. In his opinion, the United States Bank (which he then advocated, and assisted to establish) was not established according to the Constitution. Congress had no right to establish such a bank. He acted contrary to his own impressions of right. Many people may do things which they do not believe to be lawful, from necessity. He acted from necessity.]

Mr. WEBSTER, resuming his remarks, said, he thought the gentleman had said, formerly, that in consequence of the decision of the question, he felt thenceforward precluded from opposing the bank as being unconstitutional.

[Mr. CALHOUN again explained. He (Mr. C.) thought the connection between Government and banks was now broken, and that set him at liberty; so that now he could oppose what he had then, and since, earnestly advocated.]

It is not my desire, sir, to hold the gentleman to a report of his speech, which he may choose, even now, to disclaim. I have never heard of his disclaiming it before; and even now, sir, I do not understand him as being desirous of retracting or denying any thing contained in the printed report of his speech, respecting the importance of a uniform national currency. That topic makes up the sum and substance of his whole speech. It was the topic of the occasion; it was the express purpose for which his committee had been raised, and for the accomplishment of which the whole proceeding was gone into. It was all currency, currency, currency; and whether the gentleman now thinks the law constitutional or unconstitutional, he cannot deny that his own object, and the object of Congress, was to furnish a circulating medium for the country. And here again, so unimportant, relatively, was the mere custody, or deposit of the public moneys in the bank, that the bill, as originally introduced, contained no provision for that object. A section was afterwards introduced, in Committee of the Whole, on my motion, providing for the deposit of the public moneys with the bank, unless the Secretary of the Treasury should, at any time, otherwise order and direct; a reservation of power to the Secretary,

which, as I think, and always have thought, was greatly abused, by the removal of the deposits, in 1833.

By reference to the debates, sir, it will be found that other friends of the measure followed up the general ideas of the honorable gentleman from South Carolina, and supported the bank, as a necessary agent or instrument for establishing, anew, a national currency, for the uses of commerce and exchange.

The operation of the joint resolution of April, 1816, aided, no doubt, in a proper degree, by the institution of the bank, and the currency which it furnished, accomplished the great end of the resumption of specie payments; and, for a long period, we had no further trouble with the currency.

And I now proceed to say, sir, that the late President of the United States has acknowledged this duty, as often, and as fully and clearly, as any of his predecessors. His various admissions, or recognitions, of this obligation, are too recent and too fresh in every one's recollection, to require, or to justify, particular citation. All the evils we now feel, indeed, we have encountered *in the search after a better currency*. It has been in the avowed attempt to discharge the duty of Government, connected with the circulation, that the late administration has led us to where we now are. The very first charge that the late President ever brought against the bank, was, *that it had not maintained a sound and uniform currency*. Most persons, probably, will think the charge quite unfounded; yet this was the charge. Its dereliction of duty, or its want of ability to perform what had been expected from it — its failure, in some way, to maintain a good currency — was the original professed cause of dissatisfaction. And when the bill for rechartering the bank was negatived, it was not on the ground that Government had nothing to do with the national currency, but that a better provision for it might be made, than we had in the bank. The duty was not to be disclaimed, or thrown off, or neglected; new agents, only, were to be employed, that it might be better performed. The State banks would do better than the national bank had done; the President was confident of this, and therefore he rejected the national bank as an agent, and adopted the State banks. And what he so constantly promised us would happen, he as resolutely maintained, afterwards, had happened. Down to his last Message, down to the last hour of his administration, he insisted upon it that the State banks had fulfilled all his expectations, and all their own duties; and had enabled the Government to accomplish, in the very best manner, the great and important objects of currency and exchange. We have the same head of the Treasury, sir, who has repeated and echoed all these statements, whether of prophecy or fulfilment, in successive reports, some of them not less tersely and intelligibly written than that now before us; and we have heads of

other departments, who concurred, I presume, from time to time, in the original statements, and in the faithful echoes of them, from the Treasury. All these functionaries have been laboring with the utmost zeal, as they professed, to perform their constitutional obligation of furnishing the country with a good currency, with a better currency, with the best currency ; and they have dragged Congress, dragged the country, and dragged themselves, into difficulty, perplexity, and distress, in this long and hot pursuit. And now, behold, they draw up all at once, and declare that the object of all this toil and struggle is one with which they have nothing at all to do !

But, as the last Message of the late President was loud and warm in its praises of the State banks, for the good services which they rendered to currency and exchange, so, no doubt, would the first Message of the present President have commended, with equal earnestness, the success with which Government had been able, by means of the State banks, to discharge this important part of its duties, if the events of May last had not left that subject no longer a topic of felicitation. By the suspension of specie payments, all was changed. The duty of Government was changed, and the constitution was changed also. Government was now to give up, and abandon forever, that very thing which had been the professed object of its most assiduous care, and most earnest pursuit, for eight long and arduous years !

Mr. President, when I heard of the suspension of the banks, I was by the side of the Ohio, on a journey, in the course of which I had occasion, frequently, to express my opinion on this new state of things ; and those who may have heard me, or noticed my remarks, will bear witness that I constantly expressed the opinion that a new era had commenced ; that a question of principle, and a question of the highest importance, had arisen, or would immediately arise ; that, hereafter, the dispute would not be so much about means as ends ; that the extent of the constitutional obligation of the Government would be controverted ; in short, that the question, whether it was the duty of Congress to concern itself with the national currency, must, inevitably, become the leading topic of the times. So I thought, whenever I had the pleasure of addressing my fellow-citizens, and so I feel and think now. I said often on these occasions, and I say now, that it is a question which the people, by the regular exercise of their elective franchise, must decide. The subject is one of so much permanent importance, and public men have become so committed, on the one side or the other, that the decision must, as I think, be made by the country. We see an entirely new state of things. We behold new and untried principles of administration advanced and adopted. We witness an avowed and bold rejection of the policy hitherto always prevailing. The

Government has come, not to a pause, but to a revulsion. It not only stops, but it starts back ; it abandons the course which it has been pursuing for near fifty years, and it reproaches itself with having been acting, all that time, beyond the limits of its constitutional power.

It was my second proposition, sir, that the Message, the bill, and the amendment, taken together, deny, in substance, that this Government has any power or duty connected with the currency, or the exchanges, beyond the mere regulation of the coins.

And, sir, is this not true ? We are to judge of the Message by what it omits, as well as by what it proposes. Congress is called together in a great commercial crisis. The whole business of the country is arrested by a sudden disorder of the currency. And what is proposed ? Any thing to restore this currency ? Any thing with a direct view of producing the resumption of payment by the banks ? Is a single measure offered, or suggested, the main purpose of which is general relief to the country ? Not one. No, sir, not one. The administration confines its measures to the Government itself. It proposes a loan, by the means of Treasury notes, to make good the deficiency in the revenue ; and it proposes secure vaults, and strong boxes, for the safe keeping of the public moneys ; and here its paternal care ends. Does the Message propose to grapple, in any way, with the main evil of the times ? Seeing that that evil is one affecting the currency, does the Message, like that of Mr. Madison, in 1815, address itself directly to that point, and recommend measures of adequate relief ? No such thing. It abstains from all general relief. It looks out for the interest of the Government, as a Government ; and it looks no further. Sir, let me turn to the Message itself, to show that all its recommendations, and, indeed, all the objects in calling Congress together, are confined to the narrow and exclusive purpose of relieving the wants of Government.

The President says, that the regulations established by Congress, for the deposit and safe keeping of the public moneys having become inoperative by the suspension of payment by the banks ; and apprehending that the same cause would so diminish the revenue, that the receipts into the Treasury would not be sufficient to defray the expenses of Government ; and as questions were also expected to arise, respecting the October instalment of the deposit to the States, and doubting whether Government would be able to pay its creditors in specie, or its equivalent, according to law, he felt it to be his duty to call Congress together. These are the reasons for calling Congress. They are all the reasons ; and they all have exclusive regard to the Government itself.

In the next place, let us see what measures the Message recom-

mends to Congress. In its own language, the objects demanding its attention are —

“To regulate, by law, the safe keeping, transfer, and disbursement of the public moneys; to designate the funds to be received and paid by the Government; to enable the Treasury to meet promptly every demand upon it; to prescribe the terms of indulgence, and the mode of settlement to be adopted, as well in collecting from individuals the revenue that has accrued, as in withdrawing it from former depositories.”

These are all the objects recommended particularly to the care of Congress; and the enumeration of them is followed by a general suggestion, that Congress will adopt such further measures as may promote the prosperity of the country. This whole enumeration, it is obvious, is confined to the wants and convenience of the Government itself.

And now, sir, let us see on what grounds it is, that the Message refrains from recommending measures of general relief. The President says —

“It was not designed by the Constitution that the Government should assume the management of domestic or foreign exchange. It is, indeed, authorized to regulate, by law, the commerce between the States, and to provide a general standard of value or medium of exchange in gold and silver; but it is not its province to aid individuals in the transfer of their funds, otherwise than through the facilities afforded by the Post Office Department. As justly might it be called on to provide for the transportation of their merchandise.”

And again —

“If, therefore, I refrain from suggesting to Congress any specific plan for regulating the exchanges of the country, relieving mercantile embarrassments, or interfering with the ordinary operations of foreign or domestic commerce, it is from a conviction that such measures are not within the constitutional province of the General Government, and that their adoption would not promote the real and permanent welfare of those they might be designed to aid.”

The President, then, sir, declines to recommend any measure for the relief of commerce, for the restoration of the currency, or for the benefit of exchanges, on the avowed ground, that, in his opinion, such measures are not within the constitutional power of Congress. He is distinct and explicit, and so far entitled to credit. He denies, broadly and flatly, that there is any authority in this Government to regulate the currency, and the exchanges, beyond its care of the coin. The question, then, is fairly stated. It cannot be misunderstood; and we are now to see how Congress, and, what is much more important, how the country will settle it.

Mr. President, if, in May last, when specie payments were suspended, the president of one of the banks had called his council of directors together, informed them that their affairs were threatened with danger; that they could not collect their debts in specie, and might not be able to pay their creditors in specie, and recommended such measures as he thought their interests required, — his policy, in all this, would have been no more exclusively confined to the interests of his corporation, than the policy of the Message is confined to the interest of this great corporation of Government. Both in practice, therefore, and on principle, in reality, and avowedly, the Administration abandons the currency to its fate. It surrenders all care over it, declines all concern about it, and denies that it has any duty connected with it.

Sir, the question, then, comes to be this: Shall one of the great powers of the Constitution, a power essential to it, on any just plan or theory of government, a power which has been exercised from the beginning, a power absolutely necessary and indispensable to the proper regulation of the commerce of the country, be now surrendered and abandoned forever? To this point we have come, sir, after pursuing the "experiment" of the late Administration for five years. And from this point, I am persuaded, the country will move, and move strongly, in one direction or another. We shall either go over to the gentleman from Missouri, and suffer him to embrace us in his gold and silver arms, and hug us to his hard-money breast; or we shall return to the long-tried, well-approved, and constitutional practice of the Government.

As to the employment of the State banks, for the purpose of maintaining the currency, and carrying on the operations of exchange, I certainly never had any confidence in that system, and have none now.

I think the State banks can never furnish a medium for circulation, which shall have universal credit, and be of equal value every where.

I think they have no powers, or faculties, which can enable them to restrain excessive issues of paper.

I think their respective spheres of action are so limited, and their currencies so local, that they can never accomplish what is desired in relation to exchanges.

Still, I prefer the employment of State banks to the project before us; because it is less of a *project*; because it is less dangerous; and, chiefly, because it does not surrender, effectually and in terms, a great power of the Constitution.

In every respect, this project is objectionable. It is but another "experiment;" and those who recommended it so zealously were the authors of the last, and were equally full of confidence and assurance in regard to that.

Who invite us to try this experiment? What voices do we hear raised in its recommendation? Are they not the well-known voices which we heard so often when the late "experiment" was begun? We know of but one accession. The voice of the honorable member from South Carolina is heard, it is true, now mingling with the general strain; and that is all. Where, then, is the ground for confidence in this experiment, more than there was for it in the last?

This scheme, too, is against all our usages, and all our habits. It locks up the revenue, under bolts and bars, from the time of collection to the time of disbursement. Our practice has been otherwise, and it has been a useful practice. In 1833, the Secretary of the Treasury admonished the deposit banks, since they had obtained the custody of the public funds, to accommodate the public, to loan freely, especially to importing merchants. And now, a system is proposed to us, according to which, any use of the public funds, by way of loan or accommodation to the public, is made a criminal offence, and to be prosecuted by indictment! Admirable, admirable consistency!

But the great objection to the measure, that which so much diminishes the importance of all other objections, is its abandonment of the duty of Government. The character of this project is, severance of the Government from the people. This, like the mark of Cain, is branded on its forehead. Government separates itself, not from the banks merely, but from the community. It withdraws its care, it denies its protection, it renounces its own high duties. I am against the project, therefore, in principle and in detail; I am for no new experiments; but I am for a sound currency for the country. And I mean, by this, a convertible currency, so far as it consists of paper. I differ, altogether, in this respect, from the gentleman from South Carolina. Mere government paper, not payable otherwise than by being received for taxes, has no pretence to be called a currency. After all that can be said about it, such paper is mere paper money. It is nothing but bills of credit. It always has been, and always will be, depreciated. Sir, we want specie, and we want paper of universal credit, and which is convertible into specie at the will of the holder. That system of currency, the experience of the world, and our own experience, have both fully approved.

I maintain, sir, that the people of this country are entitled, at the hand of this Government, to a sound, safe, and uniform currency. If they agree with me, they will themselves say so. They will say, "It is our right; we have enjoyed it forty years; it is practicable, it is necessary to our prosperity, it is the duty of Government to furnish it; we ought to have it, we can have it, and we will have it."

The language of the administration, on the other hand, is, "Good masters, you are mistaken. You have no such right. You are entitled to no such thing from us. The Constitution has been misunderstood. We have suddenly found out its true meaning. A new light has flashed upon us. It is no business of ours to furnish a national currency. You cannot have it, and you will not get it."

Mr. President, I have thus stated what I think to be the real question now before the country. I trust myself, cheerfully, to the result. I am willing to abide the test of time, and the ultimate judgment of the people; for it is a sentiment deeply infused into me, it is a conviction which prevades every faculty I possess, that there can be no settled and permanent prosperity to the commerce and business of the country, until the constitutional duty of Government, in regard to the currency, be honestly and faithfully fulfilled.

In Senate, October 3, Mr. CALHOUN spoke on the same subject at length, and also in reply to Mr. WEBSTER's argument.

Mr. WEBSTER rose and said: The gentleman from South Carolina has said of my remarks, on a former day, that, where he looked for argument, he found only denunciation. But there are always two sides in such a case; it may certainly happen that denunciation is given instead of argument; but it may also happen that arguments which cannot be answered are got rid of by calling them denunciation. That, however, is a question which it is not for the two parties themselves to decide. I listened with great respect to the opinions of the member, as it is my constant practice to do, and I meant to express my astonishment that, at this period of his public life, looking back to his former course in relation to the currency of this country for the space of nearly twenty years—I say, I must give utterance to my astonishment at finding him where he now is, namely, according to his own avowal, back again to the old continental money! If this Government paper currency, of which the gentleman is now become the sudden and zealous advocate, is not what I pronounced it to be, *continental money*, what is it? It is not a species of exchequer notes; it is a mere Government paper, circulating without interest, receivable for the dues of Government, and with no certain provisions for its redemption; and that is what the old continental money was. But the gentleman says there is no analogy between his proposed money and the old continental, because Congress then levied no taxes! But Congress made requisitions on the States, and did not the States levy taxes?

The greater part of his remarks, so far from being any reply to the subjects under discussion, have been taken up with a general history of the banking system. No doubt much of the outline he has given may be correct; but there is nothing in all he has ad-

vanced to justify the leading inference which he makes, and which is, that the credit system ought to be destroyed, and the hard money system henceforth be acted upon. In coming to this conclusion, he is by far too general; he seems, indeed, to have generalized himself out of all power of applying practical truths to common subjects.

He has referred to the Bank of Amsterdam as an argument in proof of the superiority of a bank of deposit over one of circulation. But, so far from a bank of deposit being safer than one of circulation, we all know that the Bank of England took the character of a bank of circulation, among other things, to avoid the danger of a bank of deposit, making the money in the bank liable to constant call by the bills. Every day's experience in this way brings the solidity of the bank to the test. It is astonishing he should assert the superiority and greater safety of such kind of banks; they had all the dangers of banks of circulation, without any of their security, which is the liability of an immediate demand, at any time, for the specie represented by their notes. Certificates of deposit issued by a bank of deposit are not subject to this test. When certificates upon sums in actual deposit are issued, who is to know when the issue begins upon deposits not in existence? Who is to know where such an issue of such certificates may end? I conclude, therefore, that the notes or certificates of a bank of deposit are not in their nature so good as the convertible notes of our common banks of circulation. But if the certificates issued upon actual deposits are not so safe as the notes of banks, always convertible at the pleasure of the holder, then, how much less safe are the notes proposed by the gentleman! Notes to be issued on no deposit, and convertible at no time! These he would issue, not upon the basis of any deposit, not convertible at the will of the holder, and not bearing any interest! Now, here, I insist upon it, is all the character and all the danger of the old continental money; and this train of reasoning, the gentleman says, is **DENUNCIATION!**

The gentleman brings an objection against the Bank of England as a bank of circulation, which he doubtless deems of great weight against all such banks. He says the Bank of England made successive augmentations of its capital, beginning first with a capital of a quarter of a million, and ending, after the lapse of one hundred years, with a capital of eleven millions. But will the gentleman call this a rapid advance? Within the space of one hundred years, has not the advance of commerce, trade, manufactures, population, and every thing else, been far more rapid? Is it not the fact that commerce and manufactures have outgrown the bank, and that it has lagged behind? The capital of that bank now, at eleven millions, for a commerce so vast and so extended as that of England, is a much smaller capital, in point of fact, than its original capital of a

quarter of a million a century ago. Surely the gentleman must admit that, in the course of one hundred years, manufactures and commerce have undergone an increase beyond all proportion to the capital of the bank.

Again, the gentleman says that, in 1797, when the Bank of England suspended specie payments,* then, to the astonishment of the world, the suspension produced no great shock. I think somewhat differently. It is true there was no immediate, instantaneous shock, but the wants of the Government and of the community were such as to give rise to a constant over-issue, so that, at one time, the depreciation, I think, was nearly twenty per cent. When Government afterwards threatened to resume, a great contraction of issues became necessary. And if the suspension rendered such a contraction, at a subsequent period, necessary, or, rather, inevitable, how can it be asserted that the suspension never occasioned any great shock?

That contraction was of itself a great shock and a great distress. It made a violent change in the relative interests of debtor and creditor!

So, in this country, in 1814, the gentleman says he was astonished that the suspension produced so little effect. What effect, I would ask, would satisfy him? What sort of a shock must it be before he will feel it? The fact is, that at that time, as he well remembers, exchange was, in some places, at twenty-five per cent. discount between one part of the country and another.

A man here could not buy a bill upon Boston at less than that discount; in other words, money here was depreciated twenty-five per cent.! And was not that shock enough? Was not that a shock to the credit of the country? To me it appears that the gentleman, in his general view, and in his desire to fix great eras and establish a few sweeping propositions, leaves out quite too much of what is practical and precise. He expresses his astonishment at what he says he saw in 1816, when, although the banks did not pay specie, yet, he says, they kept their credit. He certainly saw what I did not see. Their credit was depreciated from New England, proceeding south to Washington; in all that extent their credit fell to various low rates. Beyond that point I have less recollection of the circumstances. Granting, however, the gentleman's argument, that when banks have suspended, still their paper has maintained its ground, does it follow that a paper starting into existence on the very principle of suspension, and never even promising to pay, will be a good paper currency? Does he think such a paper can maintain its ground, or ever, indeed, obtain any

* This assertion, as here responded to, is modified, and much changed, in the printed speech of Mr. C., so as to read differently. — *Note by the Reporter.*

ground to stand upon at all? Yet such is the currency the gentleman has proposed; and the argument by which he would recommend it to the country, is built upon the assumed fact that the paper even of suspended banks is a good currency!

To prevent all mistakes on this subject, I desire to repeat that, in my opinion, it is utterly vain and hopeless to maintain any paper circulation, at par with specie, that is not convertible into specie at the will of the holder. If we are not ready to admit this, the history, not only of all other countries, but of our own country, must have been lost upon us.

The gentleman next proceeds, after this strong testimony in favor even of broken banks, to descant vehemently upon the dangers which he *now* apprehends from the whole banking system, and of course even from good banks! He has classed all these dangers very systematically, and finds that the banking system is full of dangers — 1st, to civil liberty; 2dly, to industry; and 3dly, to the moral and intellectual development of mankind.*

Now as relates to liberty, the only question is, whether the extending the property and business of the great mass of mankind can be adverse and unfavorable to liberty. If the raising the great mass of men to a better condition — if surrounding them with greater comforts and greater abundance of all things — if thus raising their social condition is unfavorable to liberty, then indeed the banking system, or, in other words, the credit system, (for it is the same thing; they are indetical,) is, as the gentleman maintains, full of danger to liberty; for it is that very system, and none other, which, within the last two hundred years, has raised the condition of the body of the people in all commercial countries. It is that system which has made the working men and the industrious classes of modern times superior even to the landed proprietors and feudal lords of former times.

The institution of banks is one part in that great system of trade, commerce, and credit, which has grown up within the last two centuries; and, let me ask, what has been the progress of liberty during the lapse of these centuries? Does not the slightest retrospect confute the gentleman's argument? Are the ideas of liberty now less distinct, or its enjoyment less general, or less secure, than in the days of the Stuarts? If banks are useful to trade and commerce — if they give to industry the facilities of capital — if they thus raise the mass of society into a better condition — providing for them better — making them richer — multiplying the means of employment for all — enabling the industrious to maintain themselves better, and to educate their children better, — who is ready to as-

* This proposition of Mr. CALHOUN's is quite softened down, and almost suppressed, in the printed speech. — *Note by the Reporter.*

sert that all this has an unfavorable effect on the progress of civil liberty?

In reply to my arguments on a former day, showing it to be the duty of the Government to regulate the currency, (which I can agree with the gentleman in calling the very life-blood of the political body,) the honorable gentleman asserts that Government has no right to interfere with individuals. He therefore proposes individual banking, and maintains that credit is a man's private property; that Government has no more right to interfere with this than with any other kind of property; that Government has no right to put restrictions of any kind upon it. But this, which the gentleman asserts is not the right of Government, is the very and the especial object for which Government is instituted. Government does interfere and place restrictions in a thousand ways upon every kind of individual property; and it is done, and is necessarily done, by every Government for the good of the whole community. But if the gentleman is so very desirous of establishing such a system of private individual banking, he need not go far, he need not even stir from his seat; he may see every where around him all the blessings of the system of individual irresponsible banking which he recommends. If this is the currency which the Government seeks to give us, we have got it!

The gentleman's system has been tried; it is now upon us; and the country has suffered enough, and too much, from it already. Years ago, as well as now, we had private banking—every body turned banker—every body put out his notes for circulation, till it was at last found necessary to restrain this right—this very right which the gentleman says Government has not the right to restrain; a right which, however, has more than once been proved to be, after all, nothing more than the right of practising fraud and imposition upon the People. Many, perhaps most of the States, therefore, have restrained it by law. It is the very necessity of checking and restraining the licentious exercise of this individual right, which is the origin of banking communities.

By the institution of such corporations, the common right is restricted for the sake of the good of the whole, and the issue of paper as money is made to be founded on assigned capital, on recognized credit, and issued under an administration of responsible citizens, responsible, individually and corporately, to the laws. It is to restrain a right which leads to so much imposition, that it has been found necessary to create banking communities, and by means of them to establish commercial credit on a safe foundation. This is the system of credit which the gentleman is now joined with the Administration to uproot and to destroy; instead of this, he would let loose individual bankers with their spurious paper all over the country; and, in proof of the expediency of doing all this, he main-



tains that the banking system is full of danger to liberty ! That it may be dangerous to the liberty of defrauding and imposing upon the poor, I have already conceded to him, and believe there are few who will not agree with me that this, if a danger, is a wholesome and valuable one.

But the gentleman has also discovered, not only that the credit system is full of danger against liberty, but that it exercises a pernicious influence upon the industry of the People ! This, indeed, is to me entirely new ! Surely the gentleman has been dealing with things unreal and imaginary ! It is quite a new thing to me that the young men of our country are, as the gentleman says, seeking after an education to make themselves bankers' clerks ; and that there is no other road to distinction but employment behind the counter and in the banking houses ! How long has this danger been hanging over the land, and has never till now been seen, or suspected, or dreamt of ? Even the late illustrious President, and the gentleman from Missouri, (Mr. BENTON,) never discovered or suspected so much as this in all their industry and zeal against the banking institutions of the country. It is quite novel to me, that the ingenuous youths of the country, in all the colleges and halls, are only seeking to prepare themselves to be cashiers and tellers, writers and accountants ! I have never heard that their desire of distinction has taken such a turn, or that, out of regard to such pursuits, they had stifled their ambition for literary and professional distinction. On the contrary, if we look at the subject as it is, we shall discover that a well-regulated banking system is eminently favorable to the industry of the People, by assisting the industrious who have no capital, and lending aid to enterprise, which otherwise would waste itself in ineffectual efforts. This system, invaluable to our country, has a tendency to break down the influence which dead capital confers upon the few who possess it, while it lifts up the many who have got no capital. In so doing, it promotes industry, and betters the condition of the greater number. Look at our villages and manufacturing cities in the North ; are they smitten, and withered, and destroyed by this system ? They all have their banks, which are established according to the necessities and prospects of the People ; and wherever they are, their industry is seen in full and vigorous operation, and the People busy in prosperous employment. But where the credit system, by any cause, is prostrate and injured, (as it now is,) and its action made to cease, the hum of business is silenced, and the industrious community, the mass of the People, is thrown out of employment.

Let us look at things as they are, and let us not be driven by denunciations against institutions which exist in all the States. That these institutions have been abused, is very probable ; but how shall that be remedied ? After all I have heard from the gentleman and

his coadjutors, I find the only remedy they propose is to withdraw from them! To withdraw from them! But will that remedy any evils of the system? Men might as well think of putting out a fire by merely going away from the fire! If we saw a house in flames, and the blaze rushing out through the windows, who would think of recommending, as a means of extinguishing the fire, to withdraw, to go away, and leave the house and the fire to themselves? The system is with us, and cannot be got rid of, even if it were desirable to get rid of it. It is, therefore, our duty to do what we can to regulate it. It is our duty, as practical men, taking things as we find them, and seeing that to eradicate is not possible, but to mitigate every evil is easy—it is, under such circumstances, our paramount duty to render the currency which we have, the best possible. Instead of this, the Administration proposes to do nothing, and the honorable gentleman echoes back the advice, and proposes to withdraw, to divorce from the system! But does the gentleman think, that if there are evils, those evils will be less when all remedy is withdrawn?

With respect to the TWO CURRENCIES, one of specie for the Government, and the other of depreciated paper for the People, the reasoning we have heard is this: “*Would you have Government take bad money for its dues? If the People are willing to take such a depreciated medium, ought the Government to take it?*”

This, sir, is not our point of objection; we do not wish the Government to take *bad money* because the People are obliged to take it: what we complain of is, that the Administration does nothing, and proposes nothing, to make this *bad money* of the People *better*. We want an equality; that both Government and People share the same fate, and use the same money, and that the Government perform its duty of rendering the money, the currency of the People, sound and good.

It is this equality which I desire; not that Government should take *bad money*, but that it should take such proper measures that there may be no bad money to take! That the People first, and then the Government, may have and receive good money. This can only be done by regulating the currency. It cannot be done by continuing a wild warfare against the credit, the currency, the money of the People. This has been done—it is the duty of Government to do this; and if ever we are to see prosperity again, it must be done again. But the vice of the Message, the defect of this measure and of this amendment, is, that nothing is attempted for the People; Government looks out for its own part; it takes good care for the lion's share, and leaves all the rest to chance and accident! Again, I assert and maintain that it is the duty of the Government to give effectual relief to the People; and to the People first and most especially; for, if the People are relieved from a

bad currency, it is plain enough there would be no bad currency for the Government to receive. Then this invidious and selfish measure of one currency for the Government and another for the People would be rendered unnecessary. It is the duty of the Government to do what it can; its power is a trust power; it was not created for itself alone. Its object is the good of the People; and now is not the time to disavow and neglect that object, by leaving the country to suffer, and only providing for itself.

In reply to Mr. BUCHANAN, Mr. WEBSTER said —

I shall detain the Senate, sir, with a few remarks only in reply to the gentleman from Pennsylvania, [Mr. BUCHANAN.]

The gentleman has met the question fairly. He denies that there is any power or duty belonging to this Government, such as I have attempted to maintain. He denies that it is incumbent on Congress to maintain a sound and uniform currency, or to have any thing to do with currency or exchange, beyond the regulation of coin. I am glad to see the honorable member take this distinct ground. All see now what the question is.

The gentleman remarked, that I had abandoned that part of the Constitution which is usually relied on as giving Congress power to establish a bank; that is to say, the power to lay and collect taxes. But you will remember, sir, that I was not discussing the power to create a bank, although, certainly, I have no doubt of the power. I was not contending merely for something that should aid in the collection of taxes; I was speaking of the power and duty of providing a sound currency for the whole country; a power and a duty which would both belong to this Government, if another dollar of taxes was never to be collected. Yes, sir, if we knew, this day, that the proceeds of the sales of the public lands would yield revenues equal to all the wants of the Government for a hundred years to come, our want of a currency would be the same, and the duty of Government to provide it the same, as it now is.

The gentleman argues, too, that a power to provide a currency cannot be drawn from the commercial power granted to Congress; because, he says, that power is only to *regulate* commerce, and to regulate is not to *create*. This is not quite correct; there are many forms of expression, in our language, especially those in which complex operations are described, in which to regulate means to cause, or to produce. But suppose I concede to the gentleman that to regulate never means to create. What then? Would that prove that Congress could not create a currency, in order thereby to regulate commerce? May it not be necessary to make one thing, in order to regulate another? Let us take the gentleman's own illustration. He says Congress has power to *regulate* the

value of foreign coin ; but that this cannot mean that it has the power to create such coin. Very true ; but, then, it may make the steelyards, or the scales, (may it not ?) as necessary instruments, to ascertain that value which is to be regulated. It may establish an assay on any scale it chooses.

We have just passed a bill authorizing the Treasury Department to *make* and issue Treasury notes ; and we have done this under the power to borrow money ; and certainly the honorable member himself did not doubt, in that case, that, in exercising a clear constitutional power, we had a right to make any thing, which became necessary, as an instrument, to its convenient execution.

The power of Congress, therefore, over the currency ; its power to regulate all currency, metallic or paper ; and its power, and its duty, to provide and maintain a sound and universal currency, belongs to it as an indispensable and inseparable part of its general authority to regulate commerce.

But, sir, I might safely go much farther than this. It could be shown, from a hundred instances, that the power to regulate commerce has been held to be broad enough to include an authority to do things, to make things, to create things, which are useful and beneficial to commerce ; things which are not so much *regulations* of commerce, in a strict sense, as they are aids and assistances to commerce. The gentleman himself, I will undertake to say, has voted for laws, for such purposes, very often.

Mr. President, we have appropriated, I know not how much more, or how much less, than a million of dollars, for a breakwater in the mouth of the Delaware. The gentleman has concurred in these appropriations. Now, sir, we did not propose to *regulate* a breakwater ; we proposed to make it, to *create* it. In order to *regulate* commerce, and to regulate it beneficially, Congress resolved to *create* a breakwater ; and the honorable member never found any constitutional difficulty in the way, so far as I remember. And yet, sir, a breakwater is not essential and indispensable to commerce ; it is only useful and beneficial. But a sound currency, of universal and equal credit, *is* essential to the enjoyment of the just advantages of the intercourse between the States.

The light-houses on the sea-coast, and on the lakes, and all the piers, buoys, and harbors, have been created, in like manner, simply by the power of Congress to regulate commerce.

Mr. President, the honorable member from Pennsylvania, growing warm in the progress of his speech, at length burst out into an exclamation. "What," said he, "would the framers of the Constitution say, could they be now present, and hear the doctrines for which the member from Massachusetts contends !"

Sir, I have already quoted the language of several of these good and great men. I rely on their opinions, fully and clearly expressed.

I have quoted Mr. Madison, among others; but, sir, to use the language of the forum, I am willing to call the witness again into court, and to examine him further. Mr. Madison, all will admit, is a competent witness. He had as much to do as any man in framing the Constitution, and as much to do as any man in administering it. Nobody, among the living or the dead, is more fit to be consulted, on a question growing out of it; and he is far from being considered as a latitudinarian, in his mode of construction. I will then, sir, question him further.

Be it remembered, sir, that my proposition simply is, that it is a part of the power and duty of Congress to maintain a general currency, suitable to the state of things existing among us, for the use of commerce and the people.

Now, sir, what says Mr. Madison? I read from his Message of December, 1816:

"Upon this general view of the subject, it is obvious that there is only wanting, to the fiscal prosperity of the Government, the restoration of a uniform medium of exchange. The resources and the faith of the nation, displayed in the system which Congress has established, insure respect and confidence both at home and abroad. The local accumulations of the revenue have already enabled the Treasury to meet the public engagements in the local currency of most of the States; and it is expected that the same cause will produce the same effect throughout the Union. But, for the interests of the community at large, as well as for the purposes of the Treasury, it is essential that the nation should possess a currency of equal value, credit, and use, wherever it may circulate. The Constitution has intrusted Congress, exclusively, with the power of creating and regulating a currency of that description; and the measures which were taken during the last session, in execution of the power, give every promise of success. The Bank of the United States has been organized under auspices the most favorable, and cannot fail to be an important auxiliary to those measures."

And now, sir, I hand the witness over to the gentlemen for cross-examination.

But, sir, if the honorable member from Pennsylvania could overthrow my proposition, he would equally overthrow his friend from South Carolina; because that gentleman admits, that there must be a paper currency of some kind, and that, a paper currency issued by the authority of Government. And if we both fall, we shall pull down along with us (which mercy forefend!) the Secretary of the Treasury, report and all; for it is one of the leading objects of that luminous paper to show how far Government issues might usefully become the medium of payment and the means of circulation. And, indeed, every vote given in Congress for the Treasury note bill — the gentleman's own vote, if given, or so far as given, on the ground that Treasury notes shall pass from hand to hand as currency — is a refutation of his argument.

Mr. President, this power over the currency, for which I am con-

tending, is in the Constitution ; the authority of Congress over commerce would be radically deficient without it ; the power has been admitted, acknowledged, and exercised. To deny that this power is in the Constitution, is to rewrite the Constitution, to reconstruct it, to take it away, and give us a substitute. To deny that the power has been acknowledged, and exercised, is to contradict history, and to reverse facts.

VOL. III.

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REMARKS

IN SENATE OF THE UNITED STATES, JANUARY 10, 1838,

ON THE FOLLOWING RESOLUTION, MOVED BY MR. CLAY, AS A SUBSTITUTE FOR
THE FIFTH OF MR. CALHOUN'S RESOLUTIONS, VIZ.

“Resolved, That the interference, by the citizens of any of the States, with the view to the abolition of slavery in this District, is endangering the rights and security of the people of the District; and that any act or measure of Congress, designed to abolish slavery in this District, would be a violation of the faith implied in the cessions by the States of Virginia and Maryland; a just cause of alarm to the people of the slave-holding States, and have a direct and inevitable tendency to disturb and endanger the Union.”

MR. WEBSTER said he could not concur in this resolution. I do not know (said he) any matter of fact, or any ground of argument, on which this affirmation of plighted faith can be sustained. I see nothing by which Congress has tied up its hands, either directly or indirectly, so as to put its clear constitutional power beyond the exercise of its own discretion. I have carefully examined the acts of cession by the States, the act of Congress, the proceedings and history of the times, and I find nothing to lead me to doubt that it was the intention of all parties to leave this, like other subjects belonging to the legislation for the ceded territory, entirely to the discretion and wisdom of Congress. The words of the constitution are clear and plain. None could be clearer or plainer. Congress, by that instrument, has power to exercise exclusive jurisdiction over the ceded territory, in all cases whatsoever. The acts of cession contain no limitation, condition, or qualification whatever, except that, out of abundant caution, there is inserted a *proviso* that nothing in the acts contained should be construed to vest in the United States any right of property in the soil, so as to affect the rights of individuals therein, otherwise than as such individuals might themselves transfer their right of soil to the United States. The acts of cession declare, that the tract of country “is forever ceded and relinquished to Congress and to the Government of the United States, in full and absolute right and exclusive jurisdiction,

as well of soil as of persons residing or to reside therein, pursuant to the tenor and effect of the 8th section of the 1st article of the constitution of the United States."

Now, that section to which reference is thus expressly made in these deeds of cession, declares, that Congress shall have power "to exercise exclusive legislation, in all cases whatsoever, over such district, not exceeding ten miles square, as may, by cession of particular States and the acceptance of Congress, become the seat of Government of the United States."

Nothing, therefore, as it seems to me, can be clearer than that the States making the cession expected Congress to exercise over the District precisely that power, and neither more nor less, which the constitution had conferred upon it. I do not know how the provision, or the intention, either of the constitution in granting the power, or of the States in making the cession, could be expressed in a manner more absolutely free from all doubt or ambiguity.

I see, therefore, nothing in the act of cession, and nothing in the constitution, and nothing in the history of this transaction, and nothing in any other transaction, implying any limitation upon the authority of Congress.

If the assertion contained in this resolution be true, a very strange result, as it seems to me, must follow. The resolution affirms that the faith of Congress is pledged, indefinitely. It makes no limitation of time or circumstance. If this be so, then, it is an obligation that binds us forever, as much as if it were one of the prohibitions of the constitution itself. And at all times hereafter, even when in the course of their history, availing themselves of events, or changing their views of policy, the States themselves should make provisions for the emancipation of their slaves, the existing state of things could not be changed, nevertheless, in this District. It does really seem to me, that if this resolution, in its terms, be true, though slavery in every other part of the world should be abolished, yet in the metropolis of this great republic it is established in perpetuity. This appears to me the result of the doctrine of plighted faith, as stated in the resolution.

[In reply to Mr. BUCHANAN—]

Mr. WEBSTER said: The words of the resolution will speak for themselves. They require no comment. They express an unlimited plighted faith. The honorable member will so see, if he will look at those words. The gentleman asks whether those who made the cession could have expected that Congress would ever have exercised such a power. To this I answer, that I see no reason to doubt that the parties to the cession were as willing to leave this as to leave other powers to the discretion of Congress.

I see not the slightest evidence of any especial fear, or any especial care or concern, on the part of the ceding States, in regard to this particular part of the jurisdiction ceded to Congress. And, I think, I can ask, on the other side, a very important question for the consideration of the gentleman himself, and for that of the Senate and the country; and that is, would Congress have accepted the cession with any such restraint upon its constitutional power, either express or understood to be implied? I think not. Looking back to the state of things then existing, and especially to what Congress had done so recently before, when it accepted the cession of the North-western Territory, I entertain no doubt whatever, that Congress would have refused the cession, altogether, if offered with any condition or understanding that its constitutional authority to exercise exclusive legislation over the District in all cases whatsoever should be abridged.

The Senate will observe that I am speaking solely to the point of plighted faith. Upon other parts of the resolution, and upon many other things connected with it, I have said nothing. I only resist the imposition of new obligations, or a new prohibition, not to be found, as I think, either in the constitution or any act of Government. I have said nothing on the expediency of abolition, immediate or gradual, or the reasons which ought to weigh with Congress, should that question be proposed. I can well conceive, I think, what would be a natural and fair mode of reasoning on such an occasion.

When it is said, for instance, by way of argument, that Congress, although it have the power, ought not to take a lead in the business of abolition, considering that the interest which the United States have in the whole subject is vastly less than that which the States have in it, I can understand the propriety and pertinency of the observation. It is, as far as it goes, a pertinent and appropriate argument, and I shall always be ready to give it the full weight belonging to it. When it is argued that, in a case so vital to the States, the States themselves should be allowed to maintain their own policy, and that the Government of the United States ought not to do any thing which shall, directly or indirectly, shake or disturb that policy, this is a line of argument which I can understand, whatever weight I may be disposed to give to it; for I have always not only admitted, but insisted, that slavery, within the States, is a subject belonging absolutely and exclusively to the States themselves.

But the present is not an attempt to exhibit any such course of reasoning as this. The attempt is to set up a pledge of the public faith, to do the same office as a constitutional prohibition, in terms, would do; that is, to set up a direct bar, precluding all exercise of the discretion of Congress over the subject. It has been often

said, in this debate, and I believe it is true, that a decided majority of the Senate do believe that Congress has a clear constitutional power over slavery in this District. But while this constitutional right is admitted, it is at the same moment attempted to be effectually counteracted, overthrown, and done away with, by the affirmation of plighted faith, as asserted in the resolution before us.

Now, I have already said I know nothing to support this affirmation. Neither in the acts of cession, nor in the act of Congress accepting the District, nor in any other document, history, publication, or transaction, do I know a single fact or suggestion, supporting this proposition, or tending to support it. Nor has any gentleman, so far as I know, pointed out, or attempted to point out, any such fact, document, transaction, or other evidence. All is left to the general and repeated statement, that such a condition must have been intended by the States. Of all this I see no proof whatever. I see no evidence of any desire on the part of the States thus to limit the power of Congress, or thus to require a pledge against its exercise. And, indeed, if this were made out, the intention of Congress, as well as that of the States, must be inquired into. Nothing short of a clear and manifest intention of both parties, proved by proper evidence, can amount to plighted faith. The expectation, or intent of one party, if excited, founded on something not provided for nor hinted at in the transaction itself, cannot plight the faith of the other party.

In short, I am altogether unable to see any ground for supposing that either party to the cession had any mental reservation, any unexpressed expectation, or relied on any implied, but unmentioned and unsuggested pledge, whatever. By the constitution, if a district should be ceded to it for the seat of Government, Congress was to have a right, in express terms, to exercise exclusive legislation, in all cases whatsoever. The cession was made and accepted, in pursuance of this power. Both parties knew well what they were doing. Both parties knew that by the cession the States surrendered all jurisdiction, and Congress acquired all jurisdiction; and this is the whole transaction.

As to any provision in the acts of cession stipulating for the security of property, there is none, except only what I have already observed; this condition, that no right of individuals in the soil should be construed to be transferred, but only the jurisdiction. But, no doubt, all rights of property ought to be duly respected by Congress, and all other Legislatures.

And since the subject of compensation to the owners of emancipated slaves has been referred to, I take occasion to say, that Congress, if it should think that a wise, just, and politic legislation for this District required them to make compensation for slaves emancipated here, they have the same constitutional authority to make

such compensation as to make grants for roads and bridges, almshouses, penitentiaries, and other similar objects in the District. A general and absolute power of legislation carries with it all the necessary and just incidents belonging to such legislation.

[Mr. CLAY having made some remarks in reply —]

Mr. WEBSTER rejoined. The honorable member from Kentucky (said Mr. W.) asks the Senate to suppose the opposite case; to suppose that the seat of Government had been fixed in a free State, Pennsylvania, for example; and that Congress had attempted to establish slavery in a district, over which, as here, it had thus exclusive legislation — he asks whether, in that case, Congress could establish slavery in such a place? This mode of changing the question does not, I think, vary this argument; and I answer, at once, that however improbable or improper such an act might be, yet, if the power were universal, absolute, and without restriction, it might unquestionably be so exercised. No limitation being expressed or intimated in the grant itself, or any other proceeding of the parties, none could be implied.

And, in the other cases, of forts, arsenals, &c., if Congress has exclusive and absolute legislative power, it must, of course, have the power, if it could be supposed to be guilty of such folly, whether proposed to be exercised in a district within a free State, to establish slavery, or in a district in a slave State, to abolish or regulate it. If it be a district over which Congress has, as it has in this District, unlimited power of legislation, it seems to me that whatever would stay the exercise of this power, in either case, must be drawn from discretion, from reasons of justice and true policy, from those high considerations which ought to influence Congress in questions of such extreme delicacy and importance; and to all these considerations I am willing, and always shall be willing, I trust, to give full weight. But I cannot, in conscience, say that the power, so clearly conferred on Congress by the constitution, as a power to be exercised, like others, in its own discretion, is immediately taken away again by an implied faith that it shall not be exercised at all.

REMARKS

MADE IN THE SENATE OF THE UNITED STATES, JANUARY 17, 1838,
IN RELATION TO THE COMMONWEALTH BANK, BOSTON.

MR. WEBSTER rose to submit the following resolution : —

Resolved, That the Secretary of the Treasury be requested to obtain information, and lay the same before the Senate, with as little delay as possible, respecting any payments of pensions, by the late pension agent of Boston, or of fishing bounties, recently made by the collector at Boston, in bills of the Commonwealth Bank of that city ; and the whole amount of such payments ; and that he further inform the Senate by what authority or direction payment of such pensions and bounties has been made in such bills ; and that he further inform the Senate whether any, and, if any, how much, of the public money of the United States is in deposit at said bank ; and, if any of such money be therein deposited, at what time or times such deposits were made.

IN presenting this resolution, Mr. W. said he felt it to be his duty to call the attention of the Senate to the circumstances here alluded to, at the earliest opportunity, in order to the institution of an official inquiry into the facts of the case, and to obtain information with respect to the manner in which the duty of public officers had been discharged, in reference to the causes, by which a severe loss had been made to fall upon a large number of industrious and meritorious citizens. Mr. W. did not submit this resolution for inquiry on the ground of mere newspaper rumor. He had received letters from highly-respectable private sources, informing him of the general facts of the case. He understood the case to be that, at the period when the fishing bounties became due, — money well and hardly earned, by a laborious, industrious, and worthy class of citizens, — application for payment was made to the collector at Boston, he being the officer charged on the part of the Government with the duty and business of paying this money. That officer paid the fishermen, not as the law directs, in specie, or bills equivalent to specie, but in the bills of this now broken bank, or in checks upon it, which checks, of course, it was known would not be paid in specie. Mr. W. had been given to understand that this officer refused to pay the bounty due in Treasury notes, when asked to do so ; and that he refused also to pay the money in specie, although requested ; and that, substantially and in effect,

the parties entitled to payment were put to the option of taking the paper of this bank, or of taking nothing at all ! This, he said, was his information.

Mr. W. held in his hand a letter from one of the most considerable fishing towns in the State, namely, Marblehead, and he was thereby informed that, very shortly before this bank failed, that is, within a week or two, or some such period, the money due from Government to these fishermen had been paid in the manner described, a large amount of it entirely in the bills and notes of this bank. The whole amount of bills of this bank paid out by the Government officer on the part of Government, Mr. W. could not tell. In Marblehead alone, his letter mentioned ten thousand dollars ; and he had heard of other similar payments, in other towns ; the whole amounting, as report said, to fifty or a hundred thousand dollars, and paid out when the bank was on the eve of a total crash, and within a few days of its failure !

Well, sir, (continued Mr. W.) when the money in these large quantities had been paid out, the bank failed ; and all that these poor fishermen had received in payment from the United States is now dead on their hands.

Mr. W. wished that a proper inquiry should be made by Congress into such a state of things, and for this object he had drawn the attention of the Senate to the circumstances of the case, with a view to the obtaining of information on two points — 1st. As to the facts ; how far the public officer of the Government had been engaged in paying out the notes of this bank for the dues of the United States ; and 2dly. As to the authority ; that is, by what legal authority the officer of the United States' Government had made such payments, and whether it was done by the direction of the Secretary of the Treasury, or whether it had been permitted and allowed by him.

Mr. W. thought that however much gentlemen might differ in opinion as to the resolution of 1816, whether that resolution was the law of the land, or whether it were a mere recommendation or admonition, as some had maintained, (though Mr. W. himself had always considered it to be a law,) however that question might be settled, Mr. W. had thought that the law now existing, respecting payments by the Government, was at least clear and indisputable ; so that no one would venture to defend the act of the Government, of paying in notes of banks known to be of less value than specie.

Mr. W. begged to refer to the solemn enactment of Congress, made only two years ago. It would be found in the second section of the Appropriation bill of 14th April, 1836, and is as follows : —

“ SEC. 2. *And be it further enacted*, That hereafter no bank notes of less denomination than ten dollars, and that from and after the third day of March,

Anno Domini eighteen hundred and thirty-seven, no bank notes of less denomination than twenty dollars, shall be offered in payment in any case whatsoever in which money is to be paid by the United States or the Post Office Department; nor shall any bank note of any denomination be so offered, unless the same shall be payable, and paid on demand, in gold or silver coin, at the place where issued, and which shall not be equivalent to specie at the place where offered, and convertible into gold or silver upon the spot, at the will of the holder, and without delay or loss to him; *Provided*, That nothing herein contained shall be construed to make any thing but gold or silver a legal tender by an individual, or by the United States."

Would any gentleman rise up and say, in the very teeth of the law, that the passing of these large amounts of notes, known not to be equivalent to specie, and immediately before the failure of the bank, was legal, was justifiable, either on the part of Government or its officers? The law expressly says, "No public officer shall offer in payment bank bills not equivalent to specie on the spot where they are offered." Will it be said that the United States' officer in the present instance did not know that these notes were not equivalent to specie? This is not possible; he knew this bank, like others, had not paid specie since May last; and that since that time its bills have not been equivalent to specie. Or will it be said he did not know the law? Certainly the Secretary of the Treasury must have drawn the attention of all disbursing officers to this act of Congress.

Mr. W. thought it possible that it might be said, in excuse of this transaction, that these poor fishermen and pensioners took this now worthless money voluntarily, or at their own option. But whether the individual who is to be paid may be made willing to take such irredeemable paper or not, the law is direct and peremptory, and prohibits the officer from *offering* it. The consent of an individual, therefore, to take it, especially when he can get nothing else, will not justify that violation in any quarter. But what consent can that be esteemed, what voluntary taking is there in such cases, where a man, because he cannot get all that is due to him, is compelled to take part, rather than have none? What is there voluntary about it? This is coercion, and not consent. Congress has not yet admitted the notion, and Mr. W. hoped it never would, that the receipt of paper under par was voluntary, whenever officers of Government could prevail on those who were entitled to the payment of money from the United States to take it, under the penalty of getting nothing. His letter, indeed, said that specie had been asked for, and was refused; but whether asked for or not, or whether the fishermen knew they were entitled to specie or not, it was equally the duty of the officer to refrain from offering these bills. Mr. W. therefore wished to know by what authority Government, or the officers of Government, dispensed with the law. By what

authority they repealed the statute, or disregarded it. By what license they had obtained the dispensing power.

It is (said Mr. W.) a notorious fact that no bank paper was, in the present state of the currency, equivalent to specie; it was refused by the Government, who demanded and obtained specie, or Treasury notes, for debts due to itself. How, then, could the collector of Boston be justified in passing bad money in fulfilment of one of the most sacred duties of the Government, namely, the payment of the pensions of the aged and destitute revolutionary pensioners?

It is said (though Mr. W. did not himself know the fact to be so) that there was a large amount of United States' money in that bank. This was also a subject on which Mr. W. was desirous that some information should be given to the Senate, for he had heretofore understood that the public money had all, or nearly all, been drawn out of the bank. Mr. W. wished to know when, and by whom, this sum, now understood to be there, was deposited, or how it came there.

Mr. W. did not wish to anticipate debate on the Treasury system bill, which was to be brought forward a fortnight hence; but he would, nevertheless, make a remark or two upon two points which he wished, as being important truths, might be kept in the constant view of Congress and the country.

The first was, that every notion and idea of justice required that there should be one mode of payment by the United States to all who were entitled to payments from Government or its officers. There was, at present, no uniform medium. Even the Treasury notes, which were issued to public creditors, were not all of equal value. Some of them carried interest at the rate of five per cent., some at the rate of two per cent., and some at the rate of *one mill per cent.* But an interest of one mill!! Mr. W. could not but consider it in the highest degree derogatory to the dignity and character of any Government, to create such a difference in its payments, whereby the public creditor received a more or less valuable compensation, not according to his just demands, but according to his skill in making a bargain, according to his facility or difficulty of being put off with a larger or smaller amount!

The other point which he wished now and always to urge, was, that, in his opinion, however desirable it might be, as some imagined it, to have gold and silver for Government use, so long as there is a paper circulation in the country, it is not possible, in the nature of things, that Government can so conduct its transactions with the People, or keep itself safe, and keep them safe, while the general currency of the country is depreciated or deranged. In other words, there can be no safety, there can be no security nor confidence, even in transactions with Government, except by reforming and restoring the whole currency of the country, and

establishing a general and uniform medium of payment. It is not possible for Government, with any practical utility, to have a sound currency *only* for itself; there must be such a currency for the People, and for the country generally. It will not be possible for the Government to stand apart, and strengthen itself, and take care of itself, and those who deal with it, and secure its own safety and theirs, while it neglects to provide for the safety, security, and well-being of the whole country.

He would add nothing to these remarks, further than to say, that in this case, and in all similar cases, if loss should turn out to have been suffered by individuals in consequence of illegal payments made by officers of Government, or in consequence of payments made in a depreciated medium, if the officers themselves were not liable to make it good, he, for one, should vote to make good every such deficiency, to the utmost farthing, out of the Treasury.

The following is a copy of one of the letters referred to by Mr. WEBSTER, in the course of his remarks, when he also, in referring to it, said, that it was at the service of every Senator to see and examine it.

"SIR: You will, I am satisfied, excuse the liberty I take in addressing you these few lines, the subject being of the utmost importance to my fellow-townsmen. The Government have lately paid to the fishermen of this town their bounty money, amounting to something like \$20,000. Something like \$10,000 of this amount was paid in Commonwealth Bank bills, the remaining \$10,000 in bills of other banks. Now, sir, just look at the distress that is likely to come upon this poor town by this specie-paying Government of ours. The Commonwealth Bank has stopped, and \$100 would not buy a loaf of bread. The collector of Boston was solicited by a number of gentlemen of this town for specie, or even Treasury notes. No; he'd pay in no other way but by a check on the Commonwealth Bank. This, sir, is a hard case for the poor fishermen of this town, and I am satisfied, you, sir, will do what lies in your power (if any thing can be done) for their relief. The poor widow and revolutionary soldier come in also for their part in the distress of the town; many of them, who have received pensions, have been paid in Commonwealth Bank bills, and, having full reliance upon the Government, have kept the money they had paid them by the Government, believing that the Government would not pay them in bad money.

"I am, dear sir, your obedient servant."

IN SENATE, FEBRUARY 6, 1838.

Mr. WEBSTER rose to move that the report of the Secretary of the Treasury, in answer to the resolution of the Senate, calling for information respecting the amount of the public moneys in the Commonwealth Bank, at Boston, be referred to the Committee on Finance.

In this report, said Mr. WEBSTER, the Secretary says that no in-

structions were ever given by the Treasury Department to tender bank notes of any denomination to public creditors or officers; and he says, at the same time, that it was impracticable to pay all the public creditors, especially on the sea-board, in specie, as sufficient could not be collected. The law, therefore, has been plainly one way, and the practice the other. The act of Congress says, no bills not equivalent to specie shall be *offered* in payment; and I commend this report to the particular and careful perusal of those who suppose they can maintain a specie currency for Government, while they suffer the general paper currency of the country to be depreciated. In my opinion, the state of things detailed in this report is a correct sample, or a foretaste of what we shall experience, on a large scale, when the sub-treasury bill shall have become law, and a nominal specie currency, for revenue purposes, shall have been established. Although the law now existing is precise and positive, that Government officers shall pay all public creditors in specie, or bills equivalent to specie, and shall offer them nothing else, yet the Secretary says that it has been impracticable to obtain specie for this purpose, either of the banks or the merchants; and this he says at a time when there is supposed to be a large quantity of specie in the country. Here, then, is exactly such a state of things as we propose to establish by sub-treasuries and an exclusive specie currency. We see here precisely how the system will work. While there are banks (and banks there will be) the specie will inevitably get into the banks; and whenever any disaster happens to the banks, so that they suspend specie payments, neither the Government nor the merchants can get the specie out. Dues to Government, therefore, will not be received in specie, and dues from Government will not be paid in specie. On the other hand, if the banks maintain their credit, and redeem their notes in specie on demand, an exclusive specie currency will be useless and unnecessary. The result of all will be, that an exclusive specie currency will be always either unnecessary or impracticable. It will be a superfluity or an impossibility.

The following sums of public money appear, by the Secretary's report, to be now in deposit in that bank:—

1st. The sum standing to the credit of the Treasurer of the United States.....	\$39,639
2d. Sum reported as standing to the credit of the collector.....	65,941
3d. Amounts to the credit of the late pension agency.....	154,848
4th. Amount standing to the credit of the commissioners for building the custom-house.....	70,000
5th. Amount to the credit of Maj. Craig, Ordnance Department.....	1,119
6th. Amount to credit of the Post Office Department.....	7,644
7th. Amount to the credit of the Paymaster General.....	846

Making a total of \$339,537

The Secretary represents these deposits to have been made, generally, before the suspension of specie payments; but that \$150,000 was received by the bank in October and December last, on drafts which had been issued by the Treasury in favor of the bank before the suspension. No money has been directed to be deposited in the bank since the suspension. It is not stated what security exists for the payment of this large sum, or what is the chance of its payment.

As to the manner in which the bank paid pensions and bounties, I find attached to the report a letter from the president of the bank, in which he says, that "in all cases where the bills of this bank, or any other bank, have been paid by this bank to pensioners, or their attorneys, they were voluntarily received by them"! The nature of these voluntary receipts of payments, in depreciated paper, has been sufficiently shown by the letter and the affidavit which I have laid before the Senate. The affidavit seems not to be deficient in facts.

The statement is —

"I, Asa Pickering, of Bellingham, in the Commonwealth of Massachusetts, residing at present in Boston, as a member of the Legislature, on oath do declare and say, That, on the third day of October now last past, I called at the office of the Pension Agent in the city of Boston, to receive a pension due to my father, Benjamin Pickering, for revolutionary services. He already had on hand a quantity of the bills of the Commonwealth Bank, and instructed me to procure other money, if possible. I called, and was requested to step into a room to make the necessary affidavit, for which I was charged, and paid in specie, twenty-five cents. I then received a check for sixty-three dollars, and was directed to present the check at the opposite counter. I did so, and had tendered to me a fifty dollar bill of the Commonwealth Bank, also a ten and a three dollar bill of the same bank. I declined receiving them, and stated that I wanted something better. I told them at least I wanted a little specie; I should like the thirteen dollars in specie. They told me I must take that or nothing. I asked them for the ten or the three in specie; both were refused. I then asked at least for the twenty-five cents in specie which I had just paid, and it was refused. I then read one of their bills to them, and asked if they would pay old revolutioners in nothing but lies. I was obliged to take their bills, contrary to my wishes and instructions.

"ASA PICKERING."

This, too, is a fair specimen of what will happen hereafter, when we shall have, nominally, a system of exclusive specie payments and receipts. Forty statutes could not forbid payments of bank notes more distinctly and peremptorily than the present law forbids all payments in *depreciated* bank notes. Yet, here it is admitted, both by the disbursing officers and by the Secretary himself, that such depreciated bank notes have been offered in payment and received; although the very *offering* of them, that is, the act of proposing to make payments in such notes, is in the teeth of the act

of Congress. So it will be hereafter. The law will be positive that nothing but gold and silver shall be offered ; yet paper will be offered, and often taken ; and just such contests will arise as that which arises in this case ; the Government officers insisting that the paper was voluntarily received, and the party receiving it, on the other hand, insisting, and making oath, that he resisted the receipt of it as long as he could, and took it at last simply because he could get nothing else. I think any man must be short-sighted who does not perceive that occurrences of this sort will be constantly happening under a system in which the Government uses, or pretends to use, one currency, and the People another.

But, sir, there is another important matter disclosed in this report, to which I wish to call the attention of the Senate.

It is known that during the existence of the Bank of the United States, the United States' pensions were paid by that bank, without cost or charge ; and as the bank was a safe depository, no losses happened to Government or to individuals.

When the bank charter expired, Congress was called on to make some other provision for paying pensions, and the act of April 20, 1836, was passed. That act provides that, in future, " payments of pensions shall be made by such persons or corporations as the Secretary of War may direct, *but no compensation or allowance shall be made to such persons or corporations for making such payments, without authority of law.*"

This act was passed under that clause of the Constitution which authorizes Congress, by law, to *vest the appointment of such inferior officers as they think proper in the Heads of Departments.*

Under this law the Secretary of War appointed these officers, and a list of them has been recently sent by him to the Senate. It will appear from the report from the War Department that, like other disbursing officers, they have been called on to give official bonds ; and there is no manner of doubt that, to all intents and purposes, they are officers under the Government of the United States.

But now to their *pay*. The act of April 20, 1836, creating the office and providing for the appointing of the officer, declares, as I have already said, that no allowance or compensation shall be made to them, *without authority of law*. Now, Congress has passed no further law on the subject ; and yet how stands the matter of their pay ?

It will be remembered that, in 1834, the President, or Secretary of War, before the bank charter expired, undertook to transfer the pension funds from the Bank of the United States to the deposit banks ; and on that occasion, those deposit banks were told, as will be seen by this report, *that in consideration of the benefits*

which they would derive from the deposits, no commission or salary would be allowed.

The same course was adopted after the act of 1836 passed ; so that, from that time to the present, pension agents, appointed by the Secretary of War, get their pay by the use of the Government funds in their hands. And I find, by inquiry at the proper source, that the general rule is, to advance the necessary funds six months before they will be needed ; so that the agent has the use of the money for that period ; and when the time comes for paying it to the pensioners, he pays it, and immediately receives from the Treasury an advance for the next six months ; so that he has, the whole year round, the use of a sum of money equal to one half the whole annual amount of pensions paid at his office.

For instance, the whole annual amount of pensions, paid at Boston, is three hundred and twenty thousand dollars, or thereabouts. One half this sum is one hundred and sixty thousand dollars ; and the agent, as his compensation for paying the pensions, actually enjoys the use of this sum the whole year.

Suppose the use of the money to be worth six per cent. per annum ; the compensation thus made to the pension agent in Boston is more than nine thousand dollars.

So in New Hampshire, where there are two pension agencies, one at Portsmouth, and one at Concord. At the Portsmouth agency, thirty-three thousand dollars, or thereabouts, is annually paid out. The agent, therefore, has usually on hand the one half of this sum, say fifteen thousand five hundred dollars, the interest of which would be near a thousand dollars.

At the Concord pension office, the amount of annual payments is sixty-six thousand dollars. One half of this sum being usually on hand, the agent receives, for discharging the duties of his office, the use of that one half, say of thirty-three thousand dollars, which, at the rate of six per cent. per annum, amounts to nineteen hundred or two thousand dollars. These sums are taken from official statements, and I believe are correct ; and the other general facts are obtained from authentic sources.

It will probably strike the Senate, in the first place, that these rates of compensation are exceedingly large, especially in these days of professed economy and reform ; and, in the next place, all will admit that this mode of making compensation is the worst in the world, as it places the funds of the Government every day at hazard. How this mode of making compensation, or this amount of compensation, can be reconciled to the words of the act of Congress, which declare that there shall be no compensation without authority of law, I hope some gentleman will undertake to explain.

In most cases, but I believe not in all, the list will show these

agents are presidents of State banks ; but the appointments, nevertheless, are personal appointments, and the banks themselves are not responsible for the agents' fidelity. As I have already said, the agents, like other disbursing officers of Government, give bonds for the due discharge of the duties of their office. I trust, sir, that the Committee on Finance will see the necessity of some further legal provision on this subject.

Since I am speaking on this subject, I will (said Mr. W.) take leave to make a remark or two on a personal matter. The *Globe* of Saturday, still pursuing a course of meddling with the private concerns of public men, which course, nevertheless, it admits is exceedingly despicable, reiterates charges of my having had paper dishonored at this Commonwealth Bank. The obvious object of all this, as of the former article, it is evident, is to hold out an appearance that I owe the bank, or have owed it in times past. I think it very likely that, by the time this statement of the *Globe* gets a hundred miles from Washington, it will be so amplified as to represent me as an acknowledged debtor to the bank to a great amount ; and, by the time it gets over the mountains, the failure of the bank will be mainly ascribed, very possibly, to its loans to me. I repeat, therefore, that I never owed the bank a dollar, so far as I remember, nor ever had any pecuniary transaction with it whatever.

The statement is, that a bill drawn by me, and accepted, was sent to the bank for collection, and not duly paid by the acceptor. It was of course returned upon the drawer, and duly paid and taken up by him. All this is very unimportant and innocent ; but it is stated as if with studious design to represent me as a debtor to the bank ; whereas, in the first place, the bank had no interest in it whatever ; and, in the second place, it was duly paid by the drawer on the acceptor's neglect. As to any acceptance of my own, sent to that bank for collection, being protested, I never heard of it, to my knowledge. If such a thing happened, it must have been accidental, and owing to some mistake as to the day, which was seasonably corrected. Nor can it be true that any note or bill with my name on it was handed over to another bank on the failure of this Commonwealth Bank, unless it was some dead note or bill which had been already paid to those who were entitled to receive payment. This apparent and obvious purpose of representing me as a debtor to the bank, or as ever having been a borrower at it, is founded in sheer misrepresentation and falsehood.

I perceive that the directors, or officers, of this bank have been busying themselves to help out the statements of the *Globe* ; yet no one of them says I ever owed the bank a dollar in the world ; they might, I think, be better employed. It has been stated publicly that these officers have helped themselves to loans, from their own bank, to an amount exceeding the amount of all its capital, and

then failed, bank and all, leaving a prodigious mass of unredeemed paper upon the hands of the Public. I know not how this may be ; but, until the charge is cleared up, one should think they might find better employment than in attempting to bolster up slanderous imputations against their neighbors, and attacking people who have not the misfortune to owe them any thing.

In reply to Mr. NILES, Mr. WEBSTER remarked —

The law says, in so many words, that these pension agents shall receive no compensation without provision by law ; and the Secretary, in making compensation, has of course done it without law. I have a right to the fact. The Secretary makes the appointments, generally, of the president or some other officer of a bank, and the appointment is entirely personal ; the bond is personal ; the bond was directly to the United States ; and this proves conclusively that the officer is an officer of the United States. No bank is named in the bond ; in those which I have seen, — and I have obtained the common form from the office, — I do not find that the agent is named or described as president or cashier of any bank. The appointment is simply of A B as agent for paying pensions in a certain place ; and A B gives his own bond, directly to the United States, with sureties, for the faithful discharge of his duties. If the agent, in any case, be connected with any bank, and desire to leave the money on deposit in that bank, instead of using it himself, that is matter of arrangement between him and the bank. All this makes no difference ; it does not diminish the amount of compensation ; it does not change the nature of the office. The agent is an officer, appointed by authority of law, and acting under bonds to the United States, and receiving, as it appears by this report, a very large compensation. I have nothing to do now with the deposit system ; all I say is, that this kind of management ought not to go on, making, as every one must admit, a very great allowance for compensation, far too large. And what occasion is there of hazarding all this money ? I speak, however, only of the existing state of things, as a subject which the Senate must perceive requires a remedy. There is a personal appointment of a certain officer by law ; and therefore there is in effect a personal emolument to the amount which I have stated ; at least it is as large as that at Boston, and may be larger elsewhere.

REMARKS

ON THE PREÉMPTION BILL, MADE IN THE SENATE OF THE UNITED STATES, JANUARY 29, 1838.

The following bill to grant preéemption rights to actual settlers on the public lands being on its passage, viz. :

A BILL TO GRANT PREÉMPTION RIGHTS TO SETTLERS ON THE PUBLIC LANDS.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That every actual settler of the public lands, being the head of a family, or over twenty-one years of age, who was in possession, and a housekeeper by personal residence thereon, on or before the first day of December, eighteen hundred and thirty-seven, shall be entitled to all the benefits and privileges of an act, entitled "An Act to grant preéemption rights to settlers on the public lands," approved May twenty-ninth, eighteen hundred and thirty; and the said act is hereby revived and continued in force two years, *Provided*, That where more than one person may have settled upon and cultivated any one quarter section of land, each one of them shall have an equal share or interest in the said quarter section, but shall have no claim, by virtue of this Act, to any other land: *And provided, always*, That this act shall not be so construed as to give a right of preéemption to any person or persons in consequence of any settlement or improvement made before the extinguishment of the Indian title to the land on which such settlement or improvement was made, or to any land specially occupied or reserved for town lots, or other purposes, by authority of the United States; *And provided further*, That nothing herein contained shall be construed to affect any of the selections of public lands for the purposes of education, the use of salt springs, or for any other purpose, which may have been or may be made by any State under existing laws of the United States; but this Act shall not be so construed as to deprive those of the benefits of this Act, who have inhabited, according to its provisions, certain fractions of the public lands within the land district of Palmyra, in the State of Missouri, which were reserved from sale in consequence of the surveys of Spanish and French grants, but are found to be without the lines of said grants.

MR. WEBSTER rose and said, that whatever opposition might be made to this bill, in his opinion, some provision of this nature was necessary and proper, and therefore he had supported it, and he should now vote for its final passage.

Although entirely indisposed (said Mr. W.) to adopt any measure which may prejudice the public interest, or trifle with this great subject, and opposed at all times to all new schemes and projects, I still think the time has come when we must, from necessity,

propriety, and justice, make some provision for the existing case. We are not now at the moment when preëmption rights are first to be granted; nor can we recall the past. The state of things now actually existing must be regarded. To this our serious attention is summoned. There are now known to be many thousands of settlers on public lands, either not yet surveyed, or the surveys not yet returned; or if surveyed, not yet brought into market for sale.

The first question naturally is, How came they there? How did this great number of persons get on the public lands? And to this question it may be truly answered, that they have gone on to the lands under the encouragement of previous acts of Congress. They have settled and built houses, and made improvements, in the persuasion that Congress would deal with them in the same manner as it has, in repeated instances, dealt with others. This has been the universal sentiment and expectation. Others have settled on the public lands, certainly with less encouragement from acts of Congress than these settlers have had, and yet have been allowed a preëmption right. These settlers, therefore, have confidently looked for the same privilege.

Another circumstance is fit to be mentioned. Very large purchases of the public land are known to have been made in 1835 and 1836. These purchases exceeded the quantity necessary for actual settlement; and they were made, in many cases, in large tracts, by companies or by large single proprietors, who purchased for purposes of investment, and with a view to retain the lands until their value should be enhanced by the general settlement and improvement of the country. These purchases would be, of course, of the best and freshest lands in the market; that is, they would be in the most recent surveys, or, in other words, in the surveyed districts most advanced in the interior. Now, I have understood from good authority, that it has often happened in the North-west, (and of the South-west I know little,) that persons disposed to purchase and settle on the frontier have, in many instances, found themselves unable to buy to their satisfaction, either of Government or individuals. Government had sold the best lands to companies or to individual proprietors, and these last were disposed to keep, and not to sell; or they or their agents were either unknown, or were living in distant parts of the country, so that application to purchase could not readily be made to them.

These circumstances, there can be no doubt, created a new incentive to pass beyond the surveys set down on the public domain, and trust to Congress for a preëmption right, such as had been granted in previous instances. The result of these causes is, that settlements have become quite extensive, and the number of people very large. In that part of Wisconsin which lies west of the Mississippi, there are supposed to be from thirty to fifty thousand

inhabitants. Over this region Congress has extended civil government, established courts of law, and encouraged the building of villages and towns; and yet the country has not been brought into the market for sale, except it may be small quantities for the sites of villages and towns. In other parts of Wisconsin a similar state of things exists, especially on and near the border of Lake Michigan, where numerous settlements have been made and commercial towns erected, some of them already of considerable importance, but where the title to the land still remains in the Government. Similar cases exist in Indiana, Illinois, and Michigan, and probably also in the South-western States.

Now, (said Mr. W.,) the practical question is, What is to be done in these cases? What are we to do with those settlers, their improvements, and the lands on which they live? Is there any one who would propose or desire that these lands should be put up at open auction, improvements and all, and sold to the highest bidder, without any regard whatever to the interest or protection of the settlers? For my part, I could propose no such thing, nor by any means consent to any such thing.

Nor do I suppose that there could be such an auction, and that other persons could attend and bid at it freely, and overbid the actual settlers for their own settlements and improvements, without disturbance and violation of the public peace. Nor would a dollar of money, in my judgment, be realized by the Treasury by such a course of proceeding, beyond what would be received for the same lands under this law. As to the general justice of the bill, its policy, or the degree of indulgence which it holds out to those who have become settlers, it ought to be remembered —

1. That it applies only to those who have now already settled on the public lands. And I am quite willing to concur with others in carrying out the recommendations of the President's Message, by adopting such measures, for the future, as may be thought wise and reasonable, and as shall prevent the recurrence hereafter of any necessity for laws like this.

2. The bill makes no donation or gratuity. It grants only a pre-emption right; a right of previous purchase, at the price for which the greater part of the public lands has been, and now is, actually sold.

3. It gives this right only to the extent of one quarter section; not more than a reasonable quantity for a farm, in the estimation of the inhabitants of these new and vast regions.

4. It gives the right only to heads of families, or householders, actually settled and residing on the tract.

And, in my opinion, it is much in favor of this bill, that what it does grant, it grants (where the requisite proof is made) at once

and forever, without mischievous qualifications, and conditions subsequent, such as formed part of the bill of last year.

It has been proposed to amend this bill, so as to limit its benefits to native or naturalized citizens of the United States.

Although I have heretofore been disposed to favor such a proposition, yet, on the whole, I think it ought not to pass; because such a limitation has been altogether unknown in our general system of land sales; and to introduce it here, where we are acting on rights already acquired, would be both invidious and unjust.

It has been proposed, also, so to amend the bill as to require that the settler, in addition to the dollar and a quarter per acre, should pay one half the actual value of the land above that sum; this value to be ascertained by appraisers, appointed by the register of the land-office. I could not agree to this amendment; because, in the first place, we have never adopted the principle of selling lands on appraisement; but, secondly and mainly, because, if these settlers have had any ground or reason to expect a preëmption right from Congress, (which is the substantial foundation of the bill,) they have had, and now have, reason to expect it, on the same terms on which it has been granted to others.

Mr. President, that there may be some undeserving persons among these settlers, I do not doubt. That the advantages of this bill may be enjoyed, in some cases, by those who are not actual settlers, with honest, *bona fide* purpose of permanent residence, is very probable. But I believe the great majority of the cases to which the bill will apply will be such as ought to be relieved. I believe the bill is the readiest way of quieting these titles and possessions, which the public interest requires should, in some way, be quieted without further delay. Indeed, no course is proposed but either to pass this bill, or to bring the lands at once to public auction, open to the biddings of all. This last course, I am persuaded, would result in no gain whatever to the Treasury, whilst it might be attended with serious inconveniences to the public, and would be sure to throw whole neighborhoods, villages, and counties, into a state of much excitement, much perplexity, and much distress. Both for the general interests of the country, and for the interest and protection of the settler, I am of opinion that the bill ought to pass.

In answer to Mr. CLAY—

Mr. WEBSTER said that, notwithstanding the surprise which it had pleased the honorable member from Kentucky to express at his support of this bill, he should continue that support; but he did not feel it necessary to go into any elaborate defence of his vote.

The bill, (said Mr. W.,) it is well ascertained, will pass the Senate by a large majority. Of its fate elsewhere, I know nothing, either certainly or probably. But, since no doubt is entertained of its passage here, I have desired, and still desire, only to say so much as may show the ground of my own opinion in its favor.

Sir, the difference between the member from Kentucky and myself, on this occasion, is plain and distinct. It is precisely this :

He is altogether against the preëmptive right. He is for carrying into operation the law, as it stands, and for giving it effect over the lands on which these settlers live, in the same way as over other public lands. He is for putting all these lands up to open auction, and selling them to the highest bidder, letting the settler take the consequence. He says there should be an auction, and a free auction ; and he argues, with that consistency and cohesion of ideas which belongs to him, that if there is to be a public auction, as he insists there ought to be, then there must be, and ought to be, a perfectly free competition ; that it should be as open to one man to bid, as another ; that no man, or men, ought to be privileged or favored ; that it is ridiculous to talk of an auction, at which one man may bid, and another may not ; or an auction, at which some bidders are told that others must have preference. He, therefore, is for a free sale, open to every body, and to be conducted in that manner which shall insure the receipts of the greatest sum of money into the Treasury. Now, I say at once, plainly and distinctly, that this is not my object. I have other views. I wish, in the first place, to preserve the peace of the frontier ; and I wish, also, to preserve and to protect the reasonable rights of the settlers ; because I think they have rights which deserve to be protected. These are my objects. Sir, if we could order an auction here, in this city, or elsewhere, out of all possible control of the settlers, and far from all fear of any influence of theirs, and could there sell the lands they live on, and their improvements, for their utmost value, and put the proceeds of the whole into the Treasury, it would be the very last thing I should ever do. God forbid that I should make gain and profit out of the labors of these settlers, and carry that gain into the Treasury. I did not suppose any man would desire that. I did not suppose there was any one who would consent that the increased value of these lands, caused by the labor, the toil, and the sweat of the settlers, should be turned to the advantage of the national Treasury. Certainly, certainly, sir, I shall oppose all proceedings leading to such a result. Yet the member from Kentucky has nothing to propose, but to sell the lands at auction for the most they will bring, at a sale which he says ought to be perfectly free and open to every body, and to carry the proceeds into the Treasury. Let the sales go on ; that is his doctrine. Let the laws take their course, he says, since we live under a Govern-

ment of laws. Have a sale, make it free and open, and make the most of it. Let the Government take care that every body, who wishes to bid, be as free to do so as any other; and that no combination, no privilege, no preëmption, be suffered to exist.

Now, sir, in my opinion, all this is what we cannot do, if we would; and what we ought not to do, if we could. I do not believe we can have an auction, under existing circumstances, such as the gentleman insists upon. The known condition of things renders it impossible. The honorable member thinks otherwise. He will not agree, he says, that the President, with the militia and the army, cannot protect the authorities in maintaining a fair and open sale. Sir, is it discreet, is it prudent, to refer to such a recourse as that? Is it not greatly wiser, and greatly better, to remove the occasion, which may be done without injury to the Government, and in perfect consistency with the rights of others, rather than to think of such measures as have been suggested? For one, I disclaim all such policy.

I place my support of the bill, therefore, upon the indispensable necessity of doing something; upon the impolicy of longer delay; upon the fair claims of the settlers to all which this bill proposes for their benefit; and upon the impolicy, the injustice, and, I may say, the impossibility, of other courses which have been suggested.

The honorable member recalls our recollection to the fact, that the Senate has refused to make any prospective measure to prevent this evil for the future. It has done so, so far as the vote on the proposed amendment went. But what then? Because a majority is not inclined, now, to provide for the future, is that a reason why we should make no provision for the present?

Sir, the true tendency of this bill will be to prevent, or to mitigate, those scenes at the public sales, which have been so often alluded to. If you pass this bill, the settler will go to the land-office, prove his preëmption right, and get his certificate. He will then have no business, so far as his homestead is concerned, at the public sales. He will be quieted in his possession, and at peace. If you do not pass it, he must attend the public sales; the whole country must be there; every man must be present, because every man's home is to be sold over his head: and how is it possible that much feeling and great excitement should not prevail among a large multitude assembled for such a purpose? Business, to be conducted under such circumstances, can take but one course; and we all know what that is. This bill diminishes temptation to form combinations, or to do any unlawful or irregular act. It is a bill of peace and repose. It is to secure men in their possessions; to quiet them in their own homes; to give to them that sense of security, that consciousness of safe ownership, which make men's houses and homesteads dear and valuable to them.

In further reply to Mr. CLAY—

I do not intend, Mr. President, to go further into this debate than is necessary to keep my own course clear. Other gentlemen act upon the result of their own reasoning; I act on the result of mine, and wish to explain and defend that result, so far as it may require defence or explanation.

I have placed this bill on the fair right of the settler, founded on the encouragement which Congress has held out by previous laws. I have asked whether this right of the honest, *bona fide* settler, is to be disregarded and sacrificed. The honorable member from Kentucky now answers that this right will be amply protected at the sale; that nobody will bid against an honest, *bona fide* settler; that at the sale all these cases will be carefully sifted and examined, and justice done to each case respectively. Why, sir, this is a good deal inconsistent, I think, with the character of those sales, as we have heard them described. If what has been said of them be true, they are the last places, and the last occasions, for any thing to be sifted or examined. The gentleman himself has said, that at these sales it is enough to cry out "Settler's right," to prevent all interference. No, sir; it is not at these sales that sifting and examination are to be had. Examination can only be had at the land-office, before sworn officers, on sworn proofs, and according to the provisions of this bill. Such an examination as that can be had, if the officers will do their duty; and the result will do justice to the Government, and justice to the settlers.

Much has been said of the general character of these settlers. I have no extensive information, sir, on that point, and had not intended to say any thing upon it. But it has so happened that I have recently been in the North-west, and have met, for a short time, with many of these settlers; and, since they have been spoken of here with so much harshness, I feel bound to say that, so far as my knowledge of them goes, they do not deserve it. Undoubtedly, sir, they are trespassers in the contemplation of law. They know that very well. They are on the public lands without title; but then they say that the course of the Government heretofore has been such as to induce and encourage them to go where they are; and that they are ready and willing to do all that Government has required from others in similar circumstances; that is, to pay for the lands at the common price. They have the general character of frontiersmen: they are hardy, adventurous, and enterprising. They have come from far, to establish themselves and families in new abodes in the West. They appeared to me to be industrious and laborious; and I saw nothing in their character or conduct that should justly draw upon them expressions of contumely and reproach.

In answer to Mr. DAVIS—

As I have the misfortune, on this occasion, to differ from my colleague, (for whom I entertain so much deference and so much warm regard, that it is always painful for me to differ from him,) I might naturally be supposed to be desirous of replying to his remarks at some length. At this late hour, however, I shall forego that privilege. I will confine what I have to say to two or three points.

In the first place, I wish to say that I cannot concede to my colleague, and those who act with him on this occasion, the vantage-ground which he and they seem to claim. I cannot agree that they only are acting for the whole people; and that we, who are in favor of this bill, are acting for a few only. My opinion is—and my ground is—that the interest of the whole country, as well as the just protection of the settlers, requires the passage of this bill. The whole country has an interest in quieting these claims; the bill proposes to quiet them; and, in that respect, is for the advantage of the whole country.

In the next place, I wish to say that I do not think it just to say of this bill, that it proposes to give away the public lands; to exercise a gratuitous bounty to the settlers; to make a mere gift of the public property to a few, at the expense of the many.

The bill proposes no gift at all; it bestows no gratuitous bounty. It grants exactly what it proposes to grant, and that is, a right of purchase, a préemption; the privilege of retaining the quarter section upon which each man is settled, paying for it the common price. This the bill grants, and it grants no more.

My worthy colleague seems to think this bill opposed to the policy upon which we supported the land bill some sessions ago. I do not think so. I think it quite consistent with that policy.

If the land bill had passed, and were now a law, and in full operation, I should still support this bill as the best mode of selling—not giving away—but of selling, the lands to which the bill applies, and getting payment for them. If the proceeds of the public lands were to go to the States, I should still think that the true interest of the States required that this bill should become a law.

My colleague complains, also, that the bill holds out great inducements to foreigners to come among us and settle on the public lands. He says it is an invitation to the nations of Europe to open their work-houses and send hither all their paupers. Now, sir, in all candor, is this the just character of the bill? Does it propose any change in our law in respect to foreigners? Certainly it does not. Always a foreigner could come here; always he could buy land at the minimum price; always he stood on an exact footing

of equality, in this particular, with our own citizens. And would my worthy colleague now make a difference by this bill? If two settlers are found on the frontier, each on his own quarter section, each with a family, and each living under a roof erected by his own hands, and on the produce of fields tilled by his own labor, the one a citizen, and the other a foreigner not yet naturalized, would my colleague make a difference, and confirm the settlement of one, and break up that of the other? No, I am sure, sir, he would do no such thing. His sense of justice and his good feeling would revolt from such a course of action as quick as those of any living human being.

Mr. President, there are some other remarks of my colleague to which I should have been glad to have made some answer. But I will forbear. I regret, most exceedingly, that we differ on this occasion. I know he desires to do justice to those settlers, and to all others; and I cannot but persuade myself that, on further reflection, he will be of opinion that some such measure as the present ought to be adopted; because there is no man who, to a high regard for the public interest, unites a greater sense of the justice which is due to individuals.

SPEECH

ON THE SUB-TREASURY BILL, DELIVERED IN THE SENATE OF
THE UNITED STATES, JANUARY 31, 1838.

"Let the Government attend to its own business, and let the people attend to theirs."

"Let the Government take care that it secures a sound currency for its own use, and let it leave all the rest to the States and to the people."

THESE ominous sentences, Mr. President, have been ringing in my ears ever since they were uttered yesterday, by the member from New York. Let the Government take care of itself, and let the people take care of themselves. This is the whole principle and policy of the administration, at the present most critical moment, and on this great and all-absorbing question of the currency.

Sir, this is an ill-boding announcement. It has nothing of consolation, of solace, or of hope in it.

It will carry through all the classes of commerce and business nothing but more discouragement, and deeper fears. And yet it is but repetition. It is only a renewed exhibition of the same spirit, which was breathed by the message, and the bill of the last session, of which this bill is also full, and which has pervaded all the recommendations, and all the measures of Government, since May. Yet I confess that I am not, even yet, so familiar with it, so accustomed to hear such sentiments avowed, as that they cease to astonish me. I am either groping in thick and palpable darkness myself, in regard to the true objects of the constitution, and the duties of Congress under it, or else these principles of public policy, thus declared, are at war with our most positive and urgent obligations.

The honorable member made other observations indicative of the same general tone of political feeling. Among his chosen topics of commendation of the bill before us, a prominent one was, to shelter the administration from that shower of imputations, as he expressed the idea, which would always beat upon it, as it beats now, when disasters should happen to the currency. Indeed! And why should the administration, now or ever, be sheltered from that shower? Is not currency a subject over which the power and duty of Government extend? Is not Government justly

responsible for its condition? Is it not, of necessity, wholly and entirely under the control and regulation of political power? Is it not a matter, in regard to which, the people cannot, by any possibility, protect themselves, any more than they can, by their own individual efforts, supersede the necessity of the exercise, by Government, of any other political power? What can the people do for themselves to improve the currency? Sir, the Government is justly answerable for the disasters of the currency, saving always those accidents which cannot at all times be foreseen or provided against. It is at least answerable for its own neglect, if it shall be guilty of it, in not exercising all its constitutional authority for the correction and restoration of the currency. Why does it, how can it, shrink from this responsibility? Why does it retreat from its own duty? Why does it seek, not the laurels of victory, not the reputation even of manly contest, but the poor honors of studied and eager escape? Sir, it never can escape. The common sense of all men pronounces that the Government is, and ought to be, and must be, answerable for the regulation of the currency of the country; that it ought to abide, and must abide, the peltings of the storm of imputation, so long as it turns its back upon this momentous question, and seeks to shelter itself in the safes and the vaults, the cells and the caverns, of a sub-Treasury system.

But of all Governments that ever existed, the present administration has least excuse for withdrawing its care from the currency, or shrinking from its just responsibility in regard to it.

Its predecessor, in whose footsteps it professes to tread, has interfered, fatally interfered, with that subject. That interference was, and has been, the productive cause of our disasters. Did the administration disclaim power over the currency in 1833, when it removed the deposits? And what meant all its subsequent transactions, all its professions, and all its efforts, for that better currency which it promised, if in truth it did not hold itself responsible to the people of the United States, for a good currency? From the very first year of the late administration to the last, there was hardly a session, if there was a single session, in which this duty of Government was not acknowledged, promises of high improvement put forth, or loud claims of merit asserted, for benefits already conferred. It professed to erect the great temple of its glory on improvements of the currency. And, sir, the better currency which has been so long promised, was not a currency for the Government, but a currency for the people. It was not for the use of revenue merely, but for the use of the whole commerce, trade, and business of the nation. And now, when the whole industry, business, and labor of the country, is harassed and distressed, by the evils brought upon us by its own interference, Government talks with all possible coolness, of the great advantage it will be to

adopt a system, which shall shield itself from a thick-falling shower of imputations. It disclaims, it renounces, it abandons its duties, and then seeks an inglorious shelter in its professed want of power to relieve the people.

We demand the better currency ; we insist on the fulfilment of the high and flattering promises ; and surely there never was a Government on the face of the earth, that could, with less propriety, resist the demand ; yet, we see it seek refuge in a bold, cold, and heartless denial of the competency of its own constitutional powers. It falls back from its own undertakings, and flatly contradicts its own pretensions. In my opinion, it can find no refuge, where the public voice will not reach it. There can be no shelter while these times last, into which Government can retreat, wherein it can hide, and screen itself from the loud voice of the country, calling upon it to come forth to fulfil its promises ; or, at least, now that these promises are all broken, to perform its duties. The evils of a disordered currency are evils which do not naturally correct or cure themselves. Nor does chance, or good luck, often relieve that community which is suffering under them. They require political remedy ; they require provision to be made by Government ; they demand the skilful hand of experienced statesmen. Until some just remedy be applied, they are likely to continue, with more or less of aggravation, and no man can tell when or how they will end. It is vain, therefore, quite vain, for Government to hope that it may retreat from this great duty, shield itself under a system, no way agreeing either with its powers or its obligations, and thus escape reproaches, by attempting to escape responsibility.

Mr. President, there is fault, and failure somewhere. Either the Constitution has failed, or its administration fails. The great end of a uniform and satisfactory regulation of commerce is not answered, because the national currency, an indispensable instrument of that commerce, is not preserved in a sound and uniform state.

Is the fault in the constitution itself ? Those who affirm that it is, must show how it was, if that be so, that other administrations, in other times, have been able to give the people abundant satisfaction in relation to the currency. I suppose it will be said, in answer to this, that the constitution has been violated ; that it was originally misconstrued ; that those who made it did not understand it ; and that the sage and more enlightened politicians of our times see deeper, and judge more justly of the constitution, than Washington and Madison. Certain it is that they have more respect for their own sagacity than for all the wisdom of others, and all the experience of the country ; or else they find themselves, by their party politics and party commitments, cut off from all ability of administering the constitution according to former successful practice.

Mr. President, when I contemplate the condition of the country; when I behold this utter breaking down of the currency; this wide-spread evil among all the industrious classes; this acknowledged inability of Government to pay its debts legally; this prostration of commerce and manufactures; this shocking derangement of internal exchange, and the general crash of credit and confidence; and when I see that three hundred representatives of the people are here assembled to consult on the public exigency; and that, repudiating the wisdom of our predecessors, and rejecting all the lights of our own experience, nothing is proposed, for our adoption, to meet an emergency of this character, but the bill before us, I confess, sir, the whole scene seems to me to be some strange illusion. I can hardly persuade myself that we are all in our waking senses. It appears like a dream — like some phantasy of the night, that the opening light of the morning usually dispels.

There is so little of apparent relation of means to ends; the measure before us has so little to promise for the relief of existing evils; it is so alien, so outlandish, so abstracted, so remote from the causes which press down all the great public interests, that I really find it difficult to regard as real what is thus around me.

Sir, some of us are strangely in error. The difference between us is so wide; the views which we take of public affairs so opposite; our opinions, both of the causes of present evils, and their appropriate remedies, so totally unlike, that one side or the other must be under the influence of some strange delusion. Darkness, thick darkness, hangs either over the supporters of this measure, or over its opponents. Time and the public judgment, I trust, will sooner or later disperse these mists, and men and measures will be seen in their true character. I think, indeed, that I see already some lifting up of the fog.

The honorable member from New York has said that we have now, already existing, a mode of conducting the fiscal affairs of the country, substantially such as that will be which this bill will establish. We may judge, therefore, he says, of the future by the present. A sub-Treasury system, in fact, he contends is now in operation; and he hopes the country sees so much good in it, as to be willing to make it permanent and perpetual.

The present system, he insists, must at least be admitted not to have obstructed or impeded the beneficial action of the immense resources of the country. Sir, this seems to me a most extraordinary declaration. The operation and energy of the resources of the country not obstructed! The business of the community not impeded! Why, sir, this can only be true, upon the supposition that present evils are no way attributable to the policy of Government; that they all spring from some extraneous and independent cause. If the honorable member means that the disasters which

have fallen upon us arise from causes which Government cannot control, such as overtrading or speculation, and that Government is answerable for nothing, I can understand him, though I do not at all concur with him. But that the resources of the country are not now in a state of great depression and stagnation, is what I had supposed none would assert. Sir, what are the resources of the country? The first of all, doubtless, is labor. Does this meet no impediment? Does labor find itself rewarded, as heretofore, by high prices, paid in good money? The whole mass of industry employed in commerce and manufactures, does it meet with no obstruction, or hinderance, or discouragement? And commerce and manufactures, in the aggregate, embracing capital as well as labor, are they, too, in a high career of success? Is nothing of impediment or obstruction found connected with their present condition?

Again, sir; among our American resources, from the very first origin of this Government, credit and confidence have held a high and foremost rank. We owe more to credit and to commercial confidence than any nation which ever existed; and ten times more than any nation, except England. Credit and confidence have been the life of our system, and powerfully productive causes of all our prosperity. They have covered the seas with our commerce, replenished the Treasury, paid off the national debt, excited and stimulated the manufacturing industry, encouraged labor to put forth the whole strength of its sinews, felled the forests, and multiplied our numbers, and augmented the national wealth, so far beyond all example as to leave us a phenomenon for older nations to look at with wonder. And this credit, and this confidence, are they now no way obstructed or impeded? Are they now acting with their usual efficiency, and their usual success, on the concerns of society?

The honorable member refers to the exchanges. No doubt, sir, the rate of foreign exchange has nothing in it alarming; nor has it had, if our domestic concerns had been in a proper condition. But that the internal exchanges are in a healthful condition, as the honorable member alleges, is what I can by no means admit. I look upon the derangement of the internal exchanges as the precise form in which existing evils most manifestly exhibit themselves. Why, sir, look at the rates between large cities in the neighborhood of each other. Exchange between Boston and New York, and also between Philadelphia and New York, is $1\frac{1}{2}$ a 2 per cent. This could never happen but from a deranged currency; and can this be called a healthful state of domestic exchange?

I understand that the cotton crop has done much towards equalizing exchange between New Orleans and New York; and yet I have seen, not many days since, that in other places of the South,

I believe Mobile, exchange on New York was at a premium of five to ten per cent.

The manufacturers of the North can say how they have found, and how they now find, the facilities of exchange. I do not mean, exclusively, or principally, the large manufacturers of cotton and woollen fabrics; but the smaller manufacturers, men who, while they employ many others, still bestow their own labor on their own capital; the shop manufacturers, such manufacturers as abound in New Jersey, Connecticut, and other parts of the North. I would ask the gentlemen from these States how these neighbors of theirs find exchanges, and the means of remittance, between them and their correspondents and purchasers in the South. The carriage-makers, the furniture-makers, the hatters, the dealers in leather, in all its branches, the dealers in domestic hardware; I should like to hear the results of the experience of all these persons, on the state of the internal exchanges, as well as the general question, whether the industry of the country has encountered any obstacle, in the present state of the currency.

Mr. President, the honorable member from New York stated correctly, that this bill has two leading objects.

The first is, a separation of the revenue, and the funds of the Government, from all connection with the concerns of individuals, and of corporations; and especially a separation of these funds from all connection with any banks.

The second is, a gradual change in our system of currency, to be carried on till we can accomplish the object of an exclusive specie or metallic circulation, at least in all payments to Government, and all disbursements by Government.

Now, sir, I am against both these propositions, ends as well as means.

I am against this separation of Government and people, as unnatural, selfish, and an abandonment of the most important political duties.

I am for having but one currency, and that a good one, both for the people and the Government.

I am opposed to the doctrines of the message of September, and to every thing which grows out of those doctrines. I feel as if I were on some other sphere, as if I were not at home, as if this could not be America, when I see schemes of public policy proposed, having for their object the convenience of Government only, and leaving the people to shift for themselves, in a matter which naturally and necessarily belongs, and in every other country is admitted to belong, to the solemn obligations and the undoubted power of Government. Is it America, where the Government, and men in the Government, are to be better off than the people? Is it America, where Government is to shut its eyes, and its ears,

to public complaint, and to take care only of itself? Is it America, Mr. President, is it your country, and my country, in which, at a time of great public distress, when all eyes are turned to Congress, and when most men feel that substantial and practical relief can come only from Congress, that Congress, nevertheless, has nothing on earth to propose, but bolts and bars, safes and vaults, cells and hiding-places, for the better security of its own money, and nothing on earth, not a beneficent law, not even a kind word, for the people themselves? Is it our country, in which the interest of Government has reached such an ascendancy over the interest of the people, in the estimate of the representatives of the people? Has this, sir, come to be the state of things, in the old thirteen, with the new thirteen added to them? For one, I confess, I know not what is American, in policy, in public interest, or in public feeling, if these measures be deemed American.

The first general aspect, or feature of the bill, the character written broadly on its front, is this abandonment of all concern for the general currency of the country. This is enough for me. It secures my opposition to the bill in all stages. Sir, this bill ought to have had a preamble. It ought to have been introduced by a recital, setting forth that, whereas the currency of the country has become totally deranged; and whereas it has heretofore been thought the bounden duty of this Government to take proper care of that great branch of the national interest; and whereas that opinion is erroneous, obsolete, and heretical; and whereas, according to the true reading of the constitution, the great duty of this Government, and its exclusive duty, so far as currency is concerned, is to take care of itself; and whereas, if Government can but secure a sound currency for itself, the people may very well be left to such a currency as the States, or the banks, or their own good fortune, or bad fortune, may give them; therefore be it enacted, &c. &c. &c.

The very first provision of the bill is in keeping with its general objects, and general character. It abandons all the sentiments of civilized mankind, on the subject of credit and confidence, and carries us back to the dark ages. The first that we hear, is of safes, and vaults, and cells, and cloisters. From an intellectual, it goes back to a physical age. From commerce, and credit, it returns to hoarding, and hiding; from confidence, and trust, it retreats to bolts, and bars, to locks with double keys, and to pains and penalties for touching hidden treasure. It is a law for the times of the feudal system; or a law for the heads and governors of the piratical States of Barbary. It is a measure fit for times when there is no security in law, no value in commerce, no active industry among mankind. Here, it is altogether out of time, and out of place. It has no sympathy with the general sentiments of this

age, still less has it any congeniality with our American character, any relish of our hitherto approved and successful policy, or any agreement or conformity with the general feeling of the country.

The gentleman, in stating the provisions of the first section, proceeds to say, that it is strange, that none of our laws, heretofore, has ever attempted to give to the Treasury of the United States a "local habitation." Hence it is the object of this first section of the bill to provide and define such local habitation. A local habitation for the Treasury of a great commercial country, in the nineteenth century! Why, sir, what is the Treasury? The existing laws call it a "Department." They say, there shall be a Department, with various officers, and a proper assignment of their duties and functions; and that this shall be the Department of the Treasury. It is, thus, an organized part of Government; an important and indispensable branch of the general administration, conducting the fiscal affairs of the country, and controlling subordinate agents.

But this bill does away with all legal and political ideas, and brings this important Department down to a thing of bricks and mortar. It enacts that certain rooms, in the new building, with their safes and vaults, shall constitute the Treasury of the United States! And this adoption of new and strange notions, and this abandonment of all old ideas, is all for the purpose of accomplishing the great object of separating the affairs of the Government from the affairs of the country. The nature of the means shows the nature of the object; both are novel, strange, untried, and unheard of. The scheme, sir, finds no precedent, either in our own history, or the history of any other respectable nation. It is admitted to be new, original, experimental; and yet its adoption is urged upon us as confidently as if it had come down from our ancestors, and had been the cherished policy of the country in all past times.

I am against it, altogether. I look not to see whether the means be adapted to the end. That end itself is what I oppose, and I oppose all the means leading to it. I oppose all attempts to make a separate currency for the Government, because I insist upon it, and shall insist upon it, until I see and feel the pillars of the constitution falling around me, and upon my head, that it is the duty of this Government to provide a good currency for the country, and for the people, as well as for itself.

I put it to gentlemen to say, whether currency be not a part of commerce, or an indispensable agent of commerce; and something, therefore, which this Government is bound to regulate, and to take care of? Gentlemen will not meet the argument. They shun the question. We demand that the just power of the constitution shall be administered. We assert that Congress has power

to regulate commerce, and currency as a part of commerce; we insist that the public exigency, at the present moment, calls loudly for the exercise of this power,—and what do they do? They labor to convince us that the Government itself can get on very well without providing a currency for the people, and they betake themselves, therefore, to the sub-Treasury system, its unassailable walls, its iron chests, and doubly-secured doors. And having satisfied themselves that, in this way, Government may be kept going, they are satisfied. A sound currency for Government, a safe currency for revenue; these are the only things promised, the only things proposed. But these are not the old promise. The country, the country itself, and the whole people, were promised a better currency for their own use; a better general currency; a better currency for all the purposes of trade and business. This was the promise solemnly given by the Government in 1833, and so often afterwards renewed, through all successive years, down to May last. We heard nothing, all that time, of a separation between Government and people. No, sir, not a word. Both were to have an improved currency. Sir, I did not believe a word of all this; I thought it all mere pretence or empty boasting. I had no faith in these promises, not a particle. But the honorable member from New York was confident; confident then as he is now; confident of the success of the first scheme, which was plausible, as he is confident of this, which is strange, alien, and repulsive in its whole aspect. He was then as sure of being able to furnish a currency for the country, as he is now of furnishing a currency for Government. He told us, at that time, that he believed the system adopted by the late administration was fully competent to its object. He felt no alarm for the result. He believed all the President had done, from the removal of the deposits downwards, was constitutional and legal; and he was determined to place himself by the side of the President, and desired only to stand or fall in the estimation of his constituents, as they should determine in the result; and that result has now come.

As I have said, sir, I had no faith at all in all the promises of the administration, made before and at that time, and constantly repeated. I felt no confidence whatever in the whole project; I deemed it rash, headstrong, and presumptuous, to the last degree. And at the risk of the charge of some offence against good taste, I will read a paragraph from some remarks of mine, in February, 1834, which sufficiently shows what my opinion and my apprehensions then were.

“I have already endeavored to warn the country against irredeemable paper; against bank paper, when banks do not pay specie for their own notes; against that miserable, abominable, and fraudulent policy, which attempts to give value to any paper of any bank, one single moment longer than such paper is redeemable

on demand in gold and silver. And I wish, most solemnly and earnestly, to repeat that warning. *I see danger of that state of things ahead.* I SEE IMMINENT DANGER THAT MORE OR FEWER OF THE STATE BANKS WILL STOP SPECIE PAYMENT. The late measure of the Secretary, and the infatuation with which it seems to be supported, tend directly and strongly to that result. Under pretence, then, of a design to return to a currency which shall be all specie, we are likely to have a currency in which there shall be no specie at all. *We are in danger of being overwhelmed with irredeemable paper — mere paper, representing not gold nor silver ; no, sir, representing nothing but* BROKEN PROMISES, BAD FAITH, BANKRUPT CORPORATIONS, CHEATED CREDITORS, AND A RUINED PEOPLE ! ”

And now, sir, we see the upshot of the Experiment. We see around us bankrupt corporations, and broken promises ; but we see no promises more really and emphatically broken, than all those promises of the administration, which gave us assurance of a better currency. These promises, now broken, notoriously and openly broken, if they cannot be performed, ought at least to be acknowledged. The Government ought not, in common fairness and common honesty, to deny its own responsibility, seek to escape from the demands of the people, and to hide itself out of the way, and beyond the reach of the process of public opinion, by retreating into this sub-Treasury system. Let it at least come forth ; let it wear a port of honesty and candor ; let it confess its promises, if it cannot perform them ; and, above all, now, even now, at this late hour, let it renounce schemes and projects, the inventions of presumption, and the resorts of desperation, and let it address itself, in all good faith, to the great work of restoring the currency by approved and constitutional means.

But, sir, so far is any such course from all probability of being adopted, so little ground of hope is there that this sub-Treasury system will be abandoned, that the honorable member from New York has contended and argued in his place, that the public opinion is more favorable to this measure now proposed, than to any other which has been suggested. He claims for it the character of a favorite with the people. He makes out this sub-Treasury plan to be quite high in popular estimation. Certainly, sir, if the honorable member thinks so, he and I see with different eyes, hear with different ears, or gather the means of opinion from very different sources. But what is the gentleman's argument ? It is this. The two Houses of Congress, he says, reflect the wishes and opinions of the people ; and with the two Houses of Congress, this system, he supposes, is more acceptable than any other.

Now, sir, with the utmost respect for the two Houses of Congress, and all their members, I must be permitted to express a

doubt, and indeed a good deal more than a doubt, whether, on this subject, and at the present moment, the two Houses do exactly reflect the opinions and wishes of the people. I should not have adverted to the state of opinion here, compared with the state of public opinion in the country, if the gentleman had not founded an argument, on the supposed disposition of the two Houses, and on the fact, that they truly set forth the public opinion. But since he has brought forward such an argument, it is proper to examine its foundation.

In a general sense, undoubtedly, sir, the members of the two Houses must be understood to represent the sentiments of their constituents, the people of the United States. Their acts bind them, as their representatives, and they must be considered, in legal understanding, as conforming to the will of their constituents. But, owing to the manner of our organization, and to the periods and times of election, it certainly may happen, that at a particular moment, and on a particular subject, opinion out doors may be one way, while opinion here is another. And how is it now, if we may judge by the usual indications? Does the gentleman hope for no vote, in this body, for his bill, but such as shall be, in his opinion, in strict accordance with the wishes, as generally understood, and most recently expressed, in the State from which that vote shall come?

I shall be exceedingly sorry, sir, for instance, to see a vote from Maine given for this bill. I hope I may not. But if there should be such a vote, can the gentleman say that he believes, in his conscience, it will express the wishes of a majority of the people of that State? And so of New Jersey, and one, if not more States in the West. I am quite sure that gentlemen who may give their votes, will discharge their duty, according to their own enlightened judgments, and they are no way accountable to me for the manner in which they discharge it; but when the honorable member from New York contends that this body now accurately represents the public opinion, on the sub-Treasury system, we must look at the facts. And with all possible respect for the honorable member, I must even take leave to ask him, whether, in his judgment, he himself is truly reflecting the opinions and wishes of a majority of the people of New York, while he is proposing and supporting this bill? Where does he find evidence of the favor of the people of that State towards this measure? Does he find it in the city? In the country? In the recently elected House of Assembly? In the recently elected members of the Senate? Can he name a place — can he lay a *venue*, for the popularity of this measure, in the whole State of New York? Between Montauk point and Cattaraugus, and between the mountains of Pennsylvania and the north end of lake Champlain, can he any where put his finger on

the map and say, Here is a spot where the sub-Treasury is popular? He may find places, no doubt, though they are somewhat scarce, where his friends have been able to maintain their ascendancy, *notwithstanding* the unpopularity of the measure; but can he find one place, one spot of any extent, in which this measure of relief is the choice, the favorite, of a majority of the people?

Mr. President, the honorable member has long been in public life, and has witnessed, often, the changes and fluctuations of political parties and political opinions. And I will ask him what he thinks of the hurricane which swept over New York in the first week of last November. Did he ever know the like? Has he before ever been called on to withstand such a whirlwind? Or had he previously any suspicion that such an outbreak in the political elements was at hand? I am persuaded, sir, that he feared such a thing much less than I hoped for it; and my own hopes, although I had hopes, and strong hopes, I must confess, fell far short of the actual result. And to me, Mr. President, it seems perfectly plain, that the cause of this astonishing change in public opinion is to be found, mainly, in the message of September, and the sub-Treasury bill of the last session. The message, with its anti-social, anti-commercial, anti-popular doctrines and dogmas — the message which set at naught all our own manners and usages, rejected all the teachings of experience, threatened the State institutions, and, anxious only to take good care of Government, abandoned the people to their fate — the message — the message, it was, that did the great work in New York, and elsewhere.

The message was that cave of Eolus, out of which the careering winds issued:

“Una Eurisque Notusque ruunt, creberque procellis
Africus’ ———

——— mingling seas and skies, dispersing the most powerful political combinations, and scattering their fragments on the rocks and shores. I might quote the poet further, sir,

“*et vastos volvunt ad litora fluctus.*”

The political deep seemed agitated, to the very bottom, and its heaving bosom moved onward and forward the “*vastos fluctus*,” in nautical phrase, the big rollers of public opinion.

The honorable member may say, or may think, that all this was but the result of a transient impulse, a feverish ebullition, a sudden surprise, or a change superficial, and apparent only, not deep and real. Sir, I cannot say, but I must confess that if the movement in New York, last fall, was not real, it looked more like reality, than any fanciful exhibition which I ever saw. If the people were not in earnest, they certainly had a very sober and earnest way of being in jest.

And now, sir, can the honorable member, can any man, say, that in regard to this measure, even the House of Representatives is certain, at this moment, truly to reflect the public judgment? Though nearer to the people than ourselves, and more frequently chosen, yet it is known that the present members were elected, nearly all of them, before the appearance of the message of September. And will the honorable member allow me to ask, whether, if a new election of members of Congress were to take place in his own State, to-morrow, and the newly elected members should take their seats immediately, he should entertain the slightest expectation of the passage of this bill through that House?

Mr. President, in 1834, the honorable member presented to the Senate, resolutions of the Legislature of New York, approving the previous course of the administration in relation to the currency. He then urged strongly, but none too strongly, the weight due to those resolutions, because, he argued, they expressed the undoubted sense of the people, as well as that of the Legislature. He said there was not, at that time, a single member in the popular branch of the Legislature, who was not in favor of those resolutions, either from the cities of Hudson, Albany, Troy, Schenectady, Utica, or an almost endless number of incorporated trading towns and villages, or the great city of New York itself, which he justly calls the commercial emporium of the country; all these cities and villages being surrounded, as he most justly said, by an intelligent population; and cities, villages, and country, altogether comprising near two millions of souls. All this was very well. It was true. The facts were with the honorable member. And although I most exceedingly regretted and deplored that it was so, I could not deny it. And he was entitled to enjoy, and did enjoy, the whole benefit of this respectable support. But, sir, how stands the matter now? What say these two millions of souls to the sub-Treasury? In the first place, what says the city of New York, that great commercial emporium, worthy the gentleman's commendation in 1834, and worthy of his commendation, and my commendation, and all commendation, at all times? What sentiments, what opinions, what feelings, are proclaimed by the thousands of her merchants, traders, manufacturers, and laborers? What is the united shout of all the voices of all her classes? What is it, but that you will put down this new-fangled sub-Treasury system, alike alien to their interests and their feelings, at once, and forever? What is it, but that in mercy to the mercantile interest, the trading interest, the shipping interest, the manufacturing interest, the laboring class, and all classes, you will give up useless and pernicious political schemes and projects, and return to the plain, straight course of wise and wholesome legislation? The sentiments of the city cannot be misunderstood. A thousand pens, and ten thousand tongues, and

a spirited press, make them all known. If we have not already yet heard enough, we shall hear more. Embarrassed, vexed, pressed, and distressed, as are her citizens at this moment, yet their resolution is not shaken, their spirit is not broken; and, depend upon it, they will not see their commerce, their business, their prosperity, and their happiness, all sacrificed to preposterous schemes and political empiricism, without another, and a yet more vigorous, struggle. And Hudson, and Albany, and Troy, and Schenectady, and Utica — pray, sir, why may not the citizens of these cities have as much weight with the honorable member now, as they justly had in 1834? And does he, can he, doubt of what they think of his bill? Ay, sir, and Rochester, and Batavia, and Buffalo, and the entire western district of the State, does the honorable member suppose that, in the whole of it, he would be able, by careful search, to do more than to find, now and then, so rare a bird, as a single approver of this system?

Mr. President, if this system must come, let it come. If we must bow to it, why, then, put it upon us. Do it. Do it by the power of Congress and the President. Congress and the President have the power. But spare us, I beseech you, spare the people from the imputation, that it is done under clear proof and evidence of their own approbation. Let it not be said it is their choice. Save them, in all mercy, from that reproach.

Sir, I think there is a revolution in public opinion now going on, whatever may be the opinion of the member from New York, or others. I think the fall elections prove this, and that other more recent events confirm it. I think it is a revolt against the absolute dictation of party, a revolt against coercion, on the public judgment; and especially a revolt against the adoption of new mischievous expedients, on questions of deep public interest; a revolt against the rash and unbridled spirit of change; a revolution, in short, against further revolution. I hope, most sincerely, that this revolution may go on; not, sir, for the sake of men, but for the sake of measures, and for the sake of the country. I wish it to proceed till the whole country, with an imperative unity of voice, shall call back Congress to the true policy of the Government.

The honorable member from New York is of opinion, sir, that there are only three courses open to us. We must, he urges, either adopt this measure, or return to a system of deposits with the State banks, or establish a national bank. Now, sir, suppose this to be as the gentleman states, then, I say, that either of the others is better than this. I would prefer doing almost any thing, and I would vastly prefer doing nothing, to taking this bill.

I need not conceal my own opinions. I am in favor of a national institution, with such provisions and securities as Congress may think proper, to guard against danger and against abuse. But

the honorable member disposes of this, at once, by the declaration, that he himself can never consent to a bank, being utterly opposed to it, both on constitutional grounds and grounds of expediency. The gentleman's opinion, sir, always respected, is certainly of great weight and importance, from the public situation he occupies. But although these are his opinions, is it certain that a majority of the people of the country agree with him in this particular? I think not. I verily believe a majority of the people of the United States are now of the opinion, that a national bank, properly constituted, limited, and guarded, is both constitutional and expedient, and ought now to be established. So far as I can learn, three fourths of the Western people are for it. Their representatives here can form a better judgment; but such is my opinion, upon the best information which I can obtain. The South may be more divided, or may be against a national institution; but looking, again, to the centre, the North and the East, and comprehending the whole in one view, I believe the prevalent sentiment is such as I have stated.

At the last session, great pains were taken to obtain a vote, of this and the other House, against a bank; for the obvious purpose of placing such an institution out of the list of remedies, and so reconciling the people to the sub-Treasury scheme. Well, sir, and did those votes produce any effect? None at all. The people did not, and do not, care a rush for them. I never have seen or heard a single man, who paid the slightest respect to those votes of ours. The honorable member, to-day, opposed as he is to a bank, has not even alluded to them. So entirely vain is it, sir, in this country, to attempt to forestall, commit, or coerce the public judgment. All those resolutions fell perfectly dead on the tables of the two Houses. We may resolve what we please, and resolve it when we please; but if the people do not like it, at their own good pleasure they will rescind it; and they are not likely to continue their approbation long to any system of measures, however plausible, which terminates in deep disappointment of all their hopes for their own prosperity.

I have said, sir, that, in preference to this bill, I would try some modification of the State bank system; and I will cheerfully do so, although every body knows, that I always opposed that system. Still I think it less objectionable than this. Mr. President, in my opinion, the real source of the evil lies in the tone, and spirit, and general feeling, which have pervaded the administration for some years past. I verily believe the origin is there. That spirit, I fully believe, has been deeply anti-commercial, and of late decidedly unfriendly to the State institutions. Do the leading presses in favor of the administration speak its own sentiments? If you think they do, then look at the language and spirit of those presses.

Do they not manifest an unceasing and bitter hostility to the mercantile classes, and to the institutions of the States? I certainly never supposed the State banks fit agents for furnishing or regulating a national currency; but I have thought them useful in their proper places. At any rate, the States had power to establish them, and have established them, and we have no right to endeavor to destroy them. How is it, then, that generally, every leading press, which supports the administration, joins in the general cry against these institutions of the States? How is it, if it be not that a spirit hostile to these institutions has come to pervade the administration itself?

In my opinion, the State banks, on every ground, demand other treatment; and the interest of the country requires that they should receive other treatment. The Government has used them, and why should it now not only desert, but abuse them? That some of the selected banks have behaved very unworthily, is no doubt true. The best behavior is not always to be expected from pets. But that the banks, generally, deserved this unrestrained warfare upon them, at the hands of Government, I cannot believe. It appears to me to be both ungrateful and unjust.

The banks, sir, are now making an effort, which I hope may be successful, to resume specie payments. The process of resumption works, and must work, with severity upon the country. Yet I most earnestly hope the banks may be able to accomplish the object. But in all this effort, they get no aid from Government, no succor from Government, not even a kind word from Government. They get nothing but denunciation and abuse. They work alone, and therefore the attainment of the end is the more difficult. They hope to reach that end only, or mainly, by reduction and curtailment. If, by these means, payment in specie can be resumed and maintained, the result will prove the existence of great solidity, both of the banks and of the mercantile classes. The Bank of England did not accomplish resumption by curtailment alone. She had the direct aid of Government. And the banks of the United States, in 1816, did not rely on curtailment alone. They had the aid of the then new-created Bank of the United States, and all the countenance, assistance, and friendly support, which the Government could give them. Still, I would not discourage the efforts of the banks. I trust they will succeed, and that they will resume specie payments at the earliest practicable moment; but it is, at the same time, my full conviction, that by another and a better course of public policy, the Government might most materially assist the banks to bring about resumption; and that by Government aid, it might be brought about with infinitely less of public inconvenience and individual distress.

For an easy resumption of specie payments, there is mainly

wanted a revival of trust, the restoration of confidence, and a harmonious action, between the Government and the moneyed institutions of the country. But instead of efforts to inspire trust, and create confidence, we see and hear nothing but denunciation ; instead of harmonious action, we find nothing but unrelenting hostility.

Mr. President, you and I were in Congress, in 1816, during the time of the suspension of specie payments by the banks. What was the spirit of the Government at that time, sir ? Was it hostile, acrimonious, belligerent towards the State institutions ? Did it look on them only to frown ? Did it touch them only to distress ? Did it put them all under the scourge ? You know, sir, it was far otherwise. You know, that the Secretary of that day entered into friendly correspondence with them, and assured them that he would second their efforts for resumption, by all the means in his power. You know, sir, that in fact, he did render most essential aid. And do you see, sir, any similar effort now ? Do you behold, in the bill before us, any thing of the spirit or the policy of Mr. Madison, on an occasion very like the present ? Mr. Madison was a man of such subdued self-respect, that he was willing to yield to experience and to the opinion of his country ; a man, too, of so much wisdom and true patriotism, that nothing was allowed to stand between him and his clear perception of the public good. Do you see, sir, any thing of this spirit — of the wisdom, of the mild, and healing, and restoring policy, of Mr. Madison, in this measure ? Another illustrious man, now numbered with the dead, was then with us, and was acting an important part, in the councils of the country. I mean Mr. Lowndes ; a man not deficient in force and genius, but still more distinguished for that large and comprehensive view of things which is more necessary to make great men, and is also much rarer than mere positive talent — and for an impartial, well-balanced judgment, which kept him free from prejudice and error, and which gave great and just influence to all his opinions. Do you see, sir, any thing of the spirit, the temper, the cool judgment, or the long-sighted policy of Mr. Lowndes, in all that is now before us ? And Mr. Crawford, then at the head of the Treasury, arduously striving to restore the finances, to reëstablish both public and private credit, and to place the currency once more upon its safe and proper foundation ; do you see, sir, the marks of Mr. Crawford's hands in the measure now presented for our approbation ?

Mr. President, I have little to say of the subordinate provisions of this bill, of the receivers-general, or of the dangerous power, given to the Secretary, of investing the public money in State stocks of his own selection. My opposition to the bill, is to the whole of it. It is general, uncompromising, and decided. I op-

pose all its ends, objects, and purposes ; I oppose all its means, its inventions, and its contrivances. I am opposed to the separation of Government and people ; I am opposed, now and at all times, to an exclusive metallic currency ; I am opposed to the spirit in which the measure originates, and to all and every emanation and ebullition of that spirit. I solemnly declare, that in thus studying our own safety, and renouncing all care over the general currency, we are, in my opinion, abandoning one of the plainest and most important of our constitutional duties. If, sir, we were, at this moment, at war with a powerful enemy, and if his fleets and armies were now ravaging our shores, and it were proposed in Congress to take care of ourselves, to defend the Capitol, and abandon the country to its fate, it would be, certainly, a more striking, a more flagrant and daring, but in my judgment not a more clear and manifest dereliction of duty, than we commit in this open and professed abandonment of our constitutional power and constitutional duty, over the great interest of the national currency. I mean to maintain that constitutional power, and that constitutional duty, to the last. It shall not be with my consent, that our ancient policy shall be overturned. It shall not be with my consent, that the country shall be plunged, farther and farther, into the unfathomed depths of new expedients. It shall not be without a voice of remonstrance from me, that one great and important purpose for which this Government was framed, shall now be utterly surrendered and abandoned forever

SECOND SPEECH

ON THE SUB-TREASURY BILL, DELIVERED IN THE SENATE OF
THE UNITED STATES, MARCH 12, 1838.

Mr. PRESIDENT: Having at an early stage of the debate expressed, in a general manner, my opposition to this bill, I must find an apology for again addressing the Senate, in the acknowledged importance of the measure, the novelty of its character, and the division of opinion respecting it which is known to exist in both Houses of Congress.

To be able, in this state of things, to give a preponderance to that side of the question which I embrace, is, perhaps, more than I ought to hope; but I do not feel that I have done all which my duty demands, until I make another effort.

The functions of this Government, which, in time of peace, most materially affect the happiness of the people, are those which respect commerce and revenue. The bill before us touches both these great interests. It proposes to act directly on the revenue and expenditure of Government, and it is expected to act, also, indirectly, on commerce and currency; while its friends and supporters relying solely on this, altogether abstain from other measures, deemed by a great portion of Congress, and of the country, to be indispensably demanded by the present exigency.

We have arrived, Mr. President, towards the close of a half century from the adoption of the constitution. During the progress of these years, our population has increased from three or four millions to thirteen or fourteen millions; our commerce, from little or nothing, to an export of a hundred and ninety millions, and an import of a hundred and twenty-eight and a half millions, in the year 1836. Our mercantile tonnage approaches near to two millions. We have a revenue, and an expenditure, of thirty millions a year. The manufactures of the country have attained very great importance, and, up to the commencement of the derangement of the currency, were in a prosperous and growing state.

The produce of the fisheries has become vast; and the general production of labor and capital is increasing, far beyond all example in other countries or other times, and has already reached an amount which, to those who have not investigated the subject, would seem incredible.

The commerce of the United States, sir, is spread over the globe. It pursues its object in all seas, and finds its way into every port which the laws of trade do not shut against its approach. With all the disadvantages of more costly materials, and of higher wages, and often in despite of unequal and unfavorable commercial regulations of other States, the enterprise, vigor, and economy which distinguish our navigating interest, enable it to show our flag, in competition with the most favored and the most skilful, in the various quarters of the world. In the mean time, internal activity does not lag nor loiter. New and useful modes of intercourse and facilities of transportation are established, or are in progress, every where. Public works are projected and pushed forward, in a spirit which grasps at high and vast objects, with a bold defiance of all expense. The aggregate value of the property of the country is augmented daily. A constant demand for new capital exists, although a debt has already been contracted in Europe, for sums advanced to States, corporations, and individuals, for purposes connected with internal improvement; which debt cannot now be less than a hundred millions of dollars. Spreading over a great extent, embracing different climates, and with vast variety of products, we find an intensely excited spirit of industry and enterprise to pervade the whole country; while its external commerce, as I have already said, sweeps over all seas. We are connected with all commercial countries, and, most of all, with that which has established and sustained the most stupendous system of commerce and manufactures, and which collects and disburses an incredible amount of annual revenue; and which uses, to this end, and as means of currency and circulation, a mixed money of metal and paper.

Such a mixed system, sir, has also prevailed with us, from the beginning. Gold and silver, and convertible bank paper, have always constituted our actual money. The people are used to this system. It has hitherto commanded their confidence, and fulfilled their expectations. We have had, in succession, two national banks; each for a period of twenty years. Local or State banks have, at the same time, been in operation; and no man of intelligence or candor can deny that, during these forty years, and with the operation of a national and these State institutions, the currency of the country, upon the whole, has been safe, cheap, convenient, and satisfactory. When the Government was established, it found convertible bank paper, issued by State banks, already in circulation;

and with this circulation it did not interfere. The United States, indeed, had themselves established a bank, under the old Confederation, with authority to issue paper. A system of mixed circulation, therefore, was exactly that system which this constitution, at its adoption, found already in existence. There is not the slightest evidence of any intention, in establishing the constitution, to overthrow or abolish this system, although it certainly was the object of the constitution to abolish bills of credit, and all paper intended for circulation, issued upon the faith of the States alone. Inasmuch as whatever then existed, of the nature of money or currency, rested on State legislation, and as it was not possible that uniformity, general credit, and general confidence, could result from local and separate acts of the States, there is evidence — I think abundant evidence — that it was the intention of the framers of the constitution to give to Congress a controlling power over the whole subject, to the end that there should be, for the whole country, a currency of uniform value. Congress has heretofore exercised this authority, and fulfilled the corresponding duties. It has maintained, for forty years out of forty-nine, a national institution, proceeding from its power, and responsible to the General Government. With intervals of derangement, brought about by war and other occurrences, this whole system, taken altogether, has been greatly successful in its actual operation. We have found occasion to create no difference between Government and people — between money for revenue, and money for the general use of the country. Until the commencement of the last session, Government had manifested no disposition to look out for itself exclusively. What was good enough for the people, was good enough for Government. No condescending and gracious preference had, before that period, ever been tendered to members of Congress, over other persons having claims upon the public funds. Such a singular spectacle had never been exhibited, as an amicable, disinterested, and patriotic understanding, between those who are to vote taxes on the people, for the purpose of replenishing the Treasury, and those who, from the Treasury, dispense the money back again among those who have claims on it. In that respect I think the Secretary stands alone. He is the first, so far as I know, in our long list of able heads of Departments, who has thought it a delicate and skilful touch, in financial administration, to be particularly kind and complaisant to the interest of the law-makers — those who hold the tax-laying power; the first, whose great deference and cordial regard for members of Congress have led him to provide for them, as the medium of payment and receipt, something more valuable than is provided, at the same time, for the army, the navy, the judges, the revolutionary pensioners, and the various classes of laborers in the pay of Government.

Through our whole history, sir, we have found a convertible paper currency, under proper control, highly useful, by its pliability to circumstances, and by its capacity of enlargement, in a reasonable degree, to meet the demands of a new and enterprising community. As I have already said, sir, we owe a permanent debt of a hundred millions abroad ; and in the present abundance of money in England, and the state of demand here, this amount will probably be increased. But it must be evident to every one, that so long as, by a safe use of paper, we give some reasonable expansion to our own circulation, or at least do not unreasonably contract it, we do, to that extent, create or maintain an ability for loans among ourselves, and so far diminish the amount of annual interest paid abroad.

But let me now, Mr. President, ask the attention of the Senate to another subject, upon which, indeed, much has already been said : I mean that which is usually called the CREDIT SYSTEM.

Sir, what is that system ? Why is *credit* a word of so much solid importance, and of so powerful charm, in the United States ? Why is it that a shock has been felt through all classes and all interests, the first moment that this credit has been disturbed ? Does its importance belong, equally, to all commercial States ? Or are there peculiarities in our condition, our habits, and modes of business, which make credit more indispensable, and mingle it more naturally, more intimately, with the life-blood of our system ?

A full and philosophical answer to these inquiries, Mr. President, would demand that I should set forth both the ground-work and the structure of our social system. It would show that the wealth and prosperity of the country have as broad a foundation as its popular constitutions. Undoubtedly there are peculiarities in that system, resulting from the nature of our political institutions, from our elementary laws, and from the general character of the people. These peculiarities most unquestionably give to credit, or to those means and those arrangements, by whatever names we call them, which are calculated to keep the whole, or by far the greater part, of the capital of the country in a state of constant activity, a degree of importance far exceeding what is experienced elsewhere.

In the old countries of Europe there is a clear and well-defined line between capital and labor ; a line which strikes through society with a horizontal sweep, leaving on one side wealth, in masses, holden by few hands, and those having little participation in the laborious pursuits of life ; on the other, the thronging multitudes of labor, with here and there, only, an instance of such accumulation of earnings as to deserve the name of capital. This distinction, indeed, is not universal and absolute in any of the commercial States of Europe, and it grows less and less definite as commerce advances ; the effect of commerce and manufactures, as all history

shows, being, every where, to diffuse wealth, and not to aid its accumulation in few hands. But still the line is greatly more broad, marked, and visible in European nations, than in the United States. In those nations the gains of capital, and wages, or the earnings of labor, are not only distinct in idea, as elements of the science of political economy, but, to a great degree, also, distinct in fact; and their respective claims, and merits, and modes of relative adjustment, become subjects of discussion and of public regulation. Now, sir, every body may see that that is a state of things which does not exist with us. We have no such visible and broad distinction between capital and labor; and much of the general happiness of all classes results from this. With us, labor is every day augmenting its means by its own industry; not in all cases, indeed, but in very many. Its savings of yesterday become its capital, therefore, of to-day. On the other hand, vastly the greater portion of the property of the country exists in such small quantities that its holders cannot dispense altogether with their own personal industry; or if, in some instances, capital be accumulated till it rises to what may be called affluence, it is usually disintegrated and broken into particles again, in one or two generations. The abolition of the rights of primogeniture; the descent of property of every sort to females as well as males; the cheap and easy means by which property is transferred and conveyed; the high price of labor; the low price of land; the genius of our political institutions; in fine, every thing belonging to us, counteracts large accumulation. This is our actual system. Our politics, our constitutions, our elementary laws, our habits, all centre in this point, or tend to this result. From where I now stand, to the extremity of the northeast, vastly the greatest part of the property of the country is in the hands and ownership of those whose personal industry is employed in some form of productive labor. General competence, general education, enterprise, activity, and industry, such as never before pervaded any society, are the characteristics which distinguish the people who live, and move, and act in this state of things, such as I have described it.

Now, sir, if this view be true, as I think it is, all must perceive that, in the United States, capital cannot say to labor and industry, "Stand ye yonder, while I come up hither;" but labor and industry lay hold on capital, break it into parcels, use it, diffuse it widely, and, instead of leaving it to repose in its own inertness, compel it to act at once as their own stimulus and their own instrument.

But, sir, this is not all. There is another view still more immediately affecting the operation and use of credit. In every wealthy community, however equally property may be divided, there will always be some property-holders who live on its income. If this property be land, they live on rent; if it be money, they live on its

interest. The amount of real estate held in this country on lease, is comparatively very small, except in the cities. But there are individuals and families, trustees and guardians, and various literary and charitable institutions, who have occasion to invest funds for the purpose of annual moneyed income. Where do they invest? where can they invest? The answer to these questions shows at once a mighty difference between the state of things here, and that in England. Here, these investments, to produce a moneyed income, are made in banks, insurance companies, canal and railroad corporations, and other similar institutions. Placed thus immediately in active hands, this capital, it is evident, becomes at once the basis of business; it gives occupation, pays labor, excites enterprise, and performs, in short, all the functions of employed money. But, in England, investments for such purposes usually take another direction. There is, in England, a vast amount of public stocks, as eight or nine hundred millions sterling of public debt actually exists, constituting, to the amount of its annual interest, a charge on the active capital and industry of the country. In the hands of individuals, portions of this debt are capital; that is, they produce income to the proprietors, and income without labor; while, in a national point of view, it is mere debt. What was obtained for it, or that on account of which it was contracted, has been spent in the long and arduous wars, which the country has sustained, from the time of King William the Third, to our own days. There are thousands of individuals, therefore, whose fixed income arises, not from the active use of property, either in their own hands, or the hands of others, but from the interest on that part of this national charge to which they are entitled. If, therefore, we use the term *capital* not in the sense of political economy exactly, but as implying whatever returns income to individuals, we find an almost incalculable mass so circumstanced as not to be the basis of active operations.

To illustrate this idea further, sir, let us suppose that, by some occurrence, (such as is certainly never to be expected,) this debt should be paid off; suppose its holders were to receive, to-morrow, their full amounts; what would they do with them? Why, sir, if they were obliged to loan the one-quarter part into the hands of the industrious classes, for the purposes of employment in active business; and if this operation could be accompanied by the same intelligence and industry among the people which prevail with us, the result would do more toward raising the character of the laboring classes, than all reforms in Parliament, and other general political operations. It would be as if this debt had never been contracted; as if the money had never been spent, and now remained part of the active capital of the country, widely diffused and employed in the business of life. But this debt, sir, has created an enormous amount of private property, upon the income of which its owners live, which does not

require their own active labor or that of others. We have no such debt; we have no such mode of investment; and this circumstance gives quite a different aspect and a different reality to our condition.

Now, Mr. President, what I understand by the credit system is, that which thus connects labor and capital, by giving to labor the use of capital. In other words, intelligence, good character, and good morals bestow on those who have not capital, a power, a trust, a confidence, which enables them to obtain it, and to employ it usefully for themselves and others. These active men of business build their hopes of success on their attentiveness, their economy, and their integrity. A wider theatre for useful activity is under their feet, and around them, than was ever spread before the eyes of the young and enterprising generations of men, on any other spot enlightened by the sun. Before them is the ocean. Every thing in that direction invites them to efforts of enterprise and industry in the pursuits of commerce and the fisheries. Around them, on all hands, are thriving and prosperous manufactures, an improving agriculture, and the daily presentation of new objects of internal improvement; while behind them is almost half a continent of the richest land, at the cheapest prices, under healthful climates, and washed by the most magnificent rivers that on any part of the globe pay their homage to the sea. In the midst of all these glowing and glorious prospects, they are neither restrained by ignorance, nor smitten down by the penury of personal circumstances. They are not compelled to contemplate, in hopelessness and despair, all the advantages thus bestowed on their condition by Providence. Capital though they may have little or none, CREDIT supplies its place; not as the refuge of the prodigal and the reckless; not as gratifying present wants with the certainty of future absolute ruin; but as the genius of honorable trust and confidence; as the blessing, voluntarily offered to good character and to good conduct; as the beneficent agent, which assists honesty and enterprise in obtaining comfort and independence.

Mr. President, take away this credit, and what remains? I do not ask what remains to the few, but to the many? Take away this system of credit, and then tell me what is left for labor and industry, but mere manual toil and daily drudgery? If we adopt a system that withdraws capital from active employment, do we not diminish the rate of wages? If we curtail the general business of society, does not every laboring man find his condition grow daily worse? In the politics of the day, sir, we hear much said about divorces; and when we abolish credit, we shall divorce labor from capital; and, depend on it, sir, when we divorce labor from capital, capital is hoarded, and labor starves.

The declaration so often quoted, that "all who trade on borrowed capital ought to break," is the most aristocratic sentiment ever uttered in this country. It is a sentiment which, if carried out

by political arrangement, would condemn the great majority of mankind to the perpetual condition of mere day-laborers. It tends to take away from them all that solace and hope which arises from possessing something which they can call their own. A man loves his own; it is fit and natural that he should do so; and he will love his country and its institutions, if he have some stake in that country, although it be but a very small part of the general mass of property. If it be but a cottage, an acre, a garden, its possession raises him, gives him self-respect, and strengthens his attachment to his native land. It is our happy condition, by the blessings of Providence, that almost every man of sound health, industrious habits, and good morals, can ordinarily attain, at least, to this degree of comfort and respectability; and it is a result devoutly to be wished, both for its individual and its general consequences.

But even to this degree of acquisition, that credit, of which I have already said so much, is highly important, since its general effect is to raise the price of wages, and render industry productive. There is no condition so low, if it be attended with industry and economy, which this credit does not benefit, as any one will find, if he will examine and follow out its operations.

Such, Mr. President, being the credit system in the United States, as I understand it, I now add, that the banks have been the agents, and their circulation the instrument, by which the general operations of this credit have been conducted. Much of the capital of the country, placed at interest, is vested in bank stock, and those who borrow, borrow at the banks; and discounts of bills, and anticipation of payments, in all its forms, the regular and appropriate duty of banks, prevail universally.

In the North, the banks have enabled the manufacturers of all classes to realize the proceeds of their industry at an early moment. The course has been, that the producers of commodities for Southern consumption, having despatched their products, draw their bills. These bills are discounted at the banks, and with the proceeds other raw material is bought, and other labor paid; and thus the general business is continued in progress. All this is well known to those who have had opportunity to be acquainted with such concerns.

But bank credit has not been more necessary to the North than to the South. Indeed, no where has interest been higher, or the demand for capital greater, or the full benefit of credit more indispensable, than in the new cotton and sugar-growing States. I ask gentlemen from those States if this be not so? Have not the plantations been bought, and the necessary labor procured, to a great extent, on credit? Has not this credit been obtained at the banks? Even now do they not find credits, or advances on their crops, important in enabling them to get those crops to market? And if

there had been no credit — if a hard-money system had prevailed, let me ask them what would have been, at this moment, the condition of things in Alabama, Louisiana, Mississippi, and Arkansas? These States, sir, with Tennessee and the South Atlantic States, constitute the great plantation interest. That there has been a vast demand for capital to be invested in this interest, is sufficiently proved, by the high price paid for the use of money.

In my opinion, sir, credit is as essential to the great export of the South, as to any other interest. The agriculture of the cotton and sugar-producing States partakes, in no inconsiderable degree, of the nature of commerce. The production and sale of one great staple only, is an operation essentially different from ordinary farming pursuits. The exports of the South, indeed, may be considered as the aggregate result of various forms and modes of industry, carried on by various hands, and in various places, rather than as the mere product of the plantation. That product itself is local; but its indispensable aids and means are drawn from every part of the Union. What is it, sir, that enables Southern labor to apply itself so exclusively to the cultivation of these great articles for export? Certainly, it is so applied, because its own necessities for provision and clothing are supplied, meanwhile, from other quarters. The South raises to sell, and not to consume; and with the proceeds of the sales it supplies itself with whatever its own consumption demands. There are exceptions; but this is the general truth. The hat-makers, shoe-makers, furniture-makers, and carriage-makers of the North, the spinners at Lowell, and the weavers of Philadelphia, are all contributors to the general product both of cotton and sugar, for export abroad; as are the live-stock raisers of Kentucky, the grain-growing farmers and all who produce and vend provisions in Indiana, Ohio and Illinois. The Northern ship-owner and the mariner, who carry these products to market, are agents acting to the same end; and so are they too who, little thinking of cotton-fields, or sugar estates, are pursuing their adventurous employment in the whale fisheries, over the whole surface, and among all the islands, of the Pacific and the Indian oceans. If we take the annual cotton crop at sixty millions of dollars, we may, perhaps, find that the amount of forty-five millions is expended, either for interest on capital advanced, or for the expense of clothing and supporting labor, or in the charges which belong to the household, the domestic expenditure, and education.

Thus, sir, all the laborious classes are, in truth, cotton-growers and sugar-makers. Each, in its own way, and to the extent of its own productiveness, contributes to swell the magnitude of that enormous export, which was nothing at the commencement of this Government, and which now has run up to so many millions. Through all these operations the stream of credit has constantly flowed, and there

is not one of them that will not be checked and interrupted, embarrassed and thwarted, if this stream be now dried up. This connexion of the various interests of the country with one another, forms an important and interesting topic. It is one of the natural ties of the Union. The variety of production, and mutual wants mutually supplied, constitute a strong bond between different States; and long may that bond last, growing with their growth, and strengthening with their strength.

But, Mr. President, that portion of our productions which takes the form of export, becomes distinct and visible; it is prominent and striking, and is seen and wondered at by everybody. The annual returns all show it, and every day's commercial intelligence speaks of it. We gaze at it with admiration, and the world is no less admiring than ourselves.

With other branches of industry the case is quite different. The products of these branches, being put in the train of domestic exchanges, and consumed in the country, do not get into statistical tables, are not collected in masses, and are seldom presented, in the aggregate, to the public view. They are not of the character of a few large and mighty rivers, but of a thousand little streams, meandering through all the fields of business and of life, and refreshing and fertilizing the whole.

Few of us, Mr. President, are aware of what would be the amount of the general production of the country, if it could be accurately ascertained. The Legislature of Massachusetts, under the recommendation of the intelligent Chief Magistrate of that State, has caused to be prepared and published a report on the condition and products of certain branches of its industry, for the year ending in April, 1837. The returns of the authorities of each city and town were made, apparently, with much care; and the whole has been collated by the Secretary of State, and the result distinctly presented in well-arranged statistical tables. From a summary of the statements in these tables, I will take the liberty of selecting a few articles, and of adverting to them here, as instances, or specimens, of the annual product of labor and industry in that State.

And to begin with a very necessary and important article: I find, that of boots and shoes, the value of the whole amount manufactured within the year exceeds fourteen millions and a half of dollars. If the amount of other articles of the same class or material, be added, viz: leather, saddles, trunks, harness, &c., the total will be not far from eighteen millions and a half of dollars.

I will read the names of some other articles, and state the amount of annual product belonging to each:

Cotton fabrics	-	-	-	-	-	\$17,409,000
Woollen fabrics	-	-	-	-	-	10,399,000

Fisheries	-	-	-	-	-	-	7,592,000
Books and stationary, and paper	-	-	-	-	-	-	2,592,000
Soap and candles	-	-	-	-	-	-	1,620,000
Nails, brads, and tacks	-	-	-	-	-	-	2,500,000
Machinery of various kinds	-	-	-	-	-	-	1,235,000
Agricultural implements	-	-	-	-	-	-	645,000
Glass	-	-	-	-	-	-	831,000
Hats	-	-	-	-	-	-	700,000
Clothing, neckcloths, &c.	-	-	-	-	-	-	2,013,000
Wool	-	-	-	-	-	-	539,000

These, sir, are samples. The grand total is ninety-one million seven hundred thousand dollars. From this, however, deductions are to be made for the cost of the raw material when imported, and for certain articles enumerated under different heads. But, then, the whole statement is confined to some branches of industry only; and to present an entire and comprehensive view, there should be added the gains of commerce within the year, the earnings of navigation, and almost the whole agricultural product of the State.

The result of all, if it could be collated and exhibited together, would show that the annual product of Massachusetts capital and Massachusetts industry exceeds one hundred millions of dollars. Now, sir, Massachusetts is a small State, in extent of territory. You may mark out her dimensions seven or eight times on the map of Virginia. Yet her population is seven hundred thousand souls; and the annual result of their laborious industry, economy, and labor, is as I have stated.

Mr. President, in looking over this result, it is most gratifying to find that its great mass consists in articles equally essential and useful to all classes. They are not luxuries, but necessities and comforts. They belong to food and clothing, to household conveniences, and education. As they are more and more multiplied, the great majority of society becomes more elevated, better instructed, and happier in all respects. I have looked through this whole list, sir, to find what there is in it that might be fairly classed among the higher luxuries of life; and what do I find? In the whole hundred millions, I find but one such item; and that is an item of two or three hundred thousand dollars for "jewelry, silver, and silver-plate." This is all that belongs to luxury, in her annual product, of a hundred millions; and of this, no doubt, the far greater portion was sent abroad. And yet we hear daily, sir, of the amassing of aristocratic wealth, by the progress of manufactures, and the operations of the credit system! Aristocracy, it is said, is stealing upon us, and, in the form of aggregate wealth, is watching to seize political power from the hands of the people! We have been more than once gravely admonished that, in order to improve the times, and

restore a metallic currency for the benefit of the poor, the rich ought to melt down their plate! Whatever such a melting process might find to act upon elsewhere, Mr. President, I assure you that in Massachusetts it would discover little. A few spoons, candlesticks, and other similar articles, some old family pitchers and tankards, and the silver porringers of our nurseries, would be about the whole.

Sir, if there be any aristocrats in Massachusetts, the people are all aristocrats; because I do not believe there is on earth, in a highly civilized society, a greater equality in the condition of men, than exists there. If there be a man in the State who maintains what is called an equipage, has servants in livery, or drives four horses in his coach, I am not acquainted with him. On the other hand, there are few who are not able to carry their wives and daughters to church in some decent conveyance. It is no matter of regret or sorrow to us that few are very rich; but it is our pride and glory that few are very poor. It is our still higher pride, and our just boast, as I think, that all her citizens possess means of intelligence and education; and that, of all her productions, she reckons among the very chiefest, those which spring from the culture of the mind and the heart.

Mr. President, one of the most striking characteristics of this age is the extraordinary progress which it has witnessed in popular knowledge. A new and powerful impulse has been acting in the social system of late, producing this effect in a most remarkable degree.

In morals, in politics, in art, in literature, there is a vast accession to the number of readers, and to the number of proficient. The present state of popular knowledge is not the result of a slow and uniform progress, proceeding through a lapse of years, with the same regular degree of motion. It is evidently the result of some new causes, brought into powerful action, and producing their consequences rapidly and strikingly. What, sir, are these causes?

This is not an occasion, sir, for discussing such a question at length: allow me to say, however, that the improved state of popular knowledge is but the necessary result of the improved condition of the great mass of the people. Knowledge is not one of our merely physical wants. Life may be sustained without it. But, in order to live, men must be fed, and clothed, and sheltered; and in a state of things in which one's whole labor can do no more than procure clothes, food, and shelter, he can have no time nor means for mental improvement. Knowledge, therefore, is not attained, and cannot be attained, till there is some degree of respite from daily manual toil, and never-ending drudgery. But whenever a less degree of labor will produce the absolute necessities of life, then there come leisure and means, both to teach and to learn.

But if this great and wonderful extension of popular knowledge be the result of an improved condition, it may, in the next place, well be asked, what are the causes which have thus suddenly pro-

duced that great improvement? How is it that the means of food, clothing, and shelter, are now so much more cheaply and abundantly procured than formerly? Sir, the main cause I take to be the progress of scientific art, or a new extent of the application of science to art. This it is, which has so much distinguished the last half century in Europe and in America; and its effects are everywhere visible, and especially among us. Man has found new allies and auxiliaries, in the powers of nature, and in the inventions of mechanism.

The general doctrine of political economy is, that wealth consists in whatever is useful or convenient to man, and that labor is the producing cause of all this wealth. This is very true. But, then, what is labor? In the sense of political writers, and in common language, it means human industry; but, in a philosophical view, it may receive a much more comprehensive meaning. It is not, in that view, human toil only — the mere action of thews and muscles; but it is any active agency which, working upon the materials with which the world is supplied, brings forth products useful or convenient to man. The materials of wealth are in the earth, in the seas, and in their natural and unaided productions. Labor obtains these materials, works upon them, and fashions them to human use. Now, it has been the object of scientific art, or of the application of science to art, to increase this active agency, to augment its power, by creating millions of laborers in the form of automatic machines, all to be diligently employed, and kept at work by the force of natural powers. To this end these natural powers, principally those of steam and falling water, are subsidized and taken into human employment. Spinning machines, power-looms, and all the mechanical devices, acting, among other operatives, in the factories and work-shops, are but so many laborers. They are usually denominated *labor-saving* machines, but it would be more just to call them *labor-doing* machines. They are made to be active agents; to have motion, and to produce effect; and though without intelligence, they are guided by those laws of science, which are exact and perfect, and they produce results, therefore, in general, more accurate than the human hand is capable of producing. When we look upon one of these, we behold a mute fellow-laborer, of immense power, of mathematical exactness, and of ever-during and unwearied effort. And while he is thus a most skilful and productive laborer, he is a non-consumer — at least, beyond the wants of his mechanical being. He is not clamorous for food, raiment, or shelter, and makes no demands for the expenses of education. The eating and drinking, the reading and writing, and clothes-wearing world, are benefitted by the labors of these co-operatives, in the same way as if Providence had provided for their service millions of beings, like ourselves in external appearance,

able to labor and to toil, and yet requiring little or nothing for their own consumption or subsistence ; or rather, as if Providence had created a race of giants, each of whom, demanding no more for his support and consumption than a common laborer, should yet be able to perform the work of a hundred.

Now, sir, turn back to the Massachusetts tables of production, and you will see that it is these automatic allies and coöperators, and these powers of nature, thus employed and placed under human direction, which have come, with such prodigious effect, to man's aid, in the great business of procuring the means of living, of comfort, and of wealth, and which have so swollen the products of her skilful industry. Look at these tables once more, sir, and you will see the effects of labor, united with and acting upon capital. Look yet again, and you will see that credit, mutual trust, prompt and punctual dealings, and commercial confidence, are all mixed up as indispensable elements in the general system.

I will ask you to look yet once more, sir, and you will perceive that general competence, great equality in human condition, a degree of popular knowledge and intelligence, no where surpassed, if any where equalled, and the prevalence of good moral sentiment, and extraordinary general prosperity, is the result of the whole. Sir, I have done with Massachusetts. I do not praise the old "Bay State" of the Revolution ; I only present her as she is.

Mr. President, such is the state of things actually existing in the country, and of which I have now given you a sample. And yet there are persons who constantly clamor against this state of things. They call it aristocracy. They beseech the poor to make war upon the rich, while, in truth, they know not who are either rich or poor. They complain of oppression, speculation, and the pernicious influence of accumulated wealth. They cry out loudly against all banks and corporations, and all the means by which small capitals become united, in order to produce important and beneficial results. They carry on a mad hostility against all established institutions. They would choke up the fountains of industry, and dry all its streams.

In a country of unbounded liberty, they clamor against oppression. In a country of perfect equality, they would move heaven and earth against privilege and monopoly. In a country where property is more equally divided than any where else, they rend the air with the shouting of agrarian doctrines. In a country where the wages of labor are high beyond all parallel, and where lands are cheap, and the means of living low, they would teach the laborer that he is but an oppressed slave. Sir, what can such men want ? What do they mean ? They can want nothing, sir, but to enjoy the fruits of other men's labor. They can mean nothing but disturbance and disorder ; the diffusion of corrupt principles, and the destruc-

tion of the moral sentiments and moral habits of society. A licentiousness of feeling and of action is sometimes produced by prosperity itself. Men cannot always resist the temptation to which they are exposed by the very abundance of the bounties of Providence and the very happiness of their own condition ; as the steed, full of the pasture, will, sometimes, throw himself against its enclosures, break away from its confinement, and, feeling now free from needless restraint, betake himself to the moors and barrens, where want, ere long, brings him to his senses, and starvation and death close his career.

Having said so much, sir, on the general condition of the country, and explained what I understand by credit, I proceed to consider the present actual state of the currency.

The most recent Treasury estimate, which I have seen, supposes that there are eighty millions of metallic money now in the country. This I believe, however, to be a good deal too high ; I cannot believe it exceeds sixty, at most ; and supposing one-half this sum to be in the banks, thirty millions are in circulation, or in private hands. We have seven hundred banks and branches, with capitals assigned for the security of their notes and bills, amounting to two hundred and eighty millions. The amount of bank notes in actual circulation is supposed to be one hundred millions ; so that our whole circulation is about one hundred and thirty millions. The amount of debts due to the banks, or the amount of their loans and discounts, may be taken at four hundred and fifty millions.

Now, sir, this very short statement exhibits at once a general outline of our existing system of currency and credit. We see a great amount of money or property in banks, as their assigned and appropriate capital, and we see a great amount due to these banks. These bank debtors generally belong to the classes of active business, or are such as have taken up credits for purposes of investment in lands or merchandise, looking to future proceeds as the means of repayment. If we compare this state of circulation, of bank capital and bank debt, with the same things in England, important differences will not fail to strike us.

The whole paper circulation of England, by the latest accounts, is twenty-eight millions sterling — made up of eighteen millions of Bank of England notes, and ten millions of the notes of private bankers, and joint-stock companies ; bullion in the bank, nine and a half millions ; debts due the Bank of England, twenty-two and a half millions. The amount of loans and discounts by private bankers and joint-stock companies is not usually stated, I believe, in the public accounts. If it bear the same proportion to their notes in circulation, as in the case of the Bank of England, it would exceed twelve millions. We may, therefore, take the amount of bank debts in England to be thirty-five millions. But I suppose that,

of the securities held by the Bank of England, exchequer notes constitute a large part ; in other words, that a large part of the bank debt is due by Government. The amount of coin in actual circulation is estimated to be thirty and a half millions. The whole amount of circulation in England, metallic and paper, is usually stated, in round numbers, at sixty millions ; which, rating the pound sterling at \$4 80, is equal to two hundred and eighty-eight millions of dollars.

It will be seen, sir, that our paper circulation is one-half less than that of England, but our bank debt is, nevertheless, much greater ; since thirty-five millions sterling amount to only one hundred and sixty-eight millions of dollars ; and this sum, too, includes the amount of exchequer bills, or Government debt in the form of such bills, which the bank holds. These facts are very material to any just comparison of the state of things in the two countries. The whole, or nearly the whole, capital of the Bank of England is lent to Government, not by means of exchequer notes, but on a permanent loan. And as to the private banks and joint-stock companies, though they issue bills for circulation, they have no assigned or appropriated capital whatever. The bills circulate on the private credit of the individual banker, or of those who compose the joint-stock companies. In the United States, an amount of capital, supposed to be sufficient to sustain the credit of the paper and secure the public against loss, is provided by law in the act of incorporation for each bank, and is assigned as a trust-fund for the payment of the liabilities of the bank. And if this capital be fairly and substantially advanced, it is a proper security ; and, in most cases, no doubt, it is substantially advanced. The directors are trustees of this fund, and they are liable, both civilly and criminally, for mismanagement, embezzlement, or breach of trust.

This amount of capital, thus secured, is the basis of loans and discounts ; and this is the reason why permanent, or at least long loans are not considered so inappropriate to banking operations, with us, as they are in England. With us, it is evident that the directors are agents, holding a fund intended to be loaned, and acting between lender and borrower ; and this form of loan has been found exceedingly convenient and useful in the country.

In some States, it is greatly preferred to mortgages, though there are others in which mortgages are usual. Whether exactly conformable to the true notion of banking, or not, the truth is, that the object and operation of our banks is to loan money ; and this is mostly on personal security. The system, no doubt, is liable to abuse in particular instances. There may be directors who will loan too freely to themselves and their friends. Gross cases of this kind have recently been detected and exposed, and, I hope, will be suitably treated ; but, considering the great number of banks, these

instances, I think, are remarkably few. In general, the banks have been well conducted, and are believed to be solvent and safe.

We have heard much, sir, in the course of this debate, of excess in the issue of bank notes for circulation. I have no doubt, sir, that there was a very improper expansion some years ago. When President Jackson, in 1832, had negatived the bill for continuing the Bank of the United States, (which act I esteem to be the true original source of all the disorders of the currency,) a vast addition was immediately made to the number of State banks. In 1833, the public deposits were actually removed from the Bank of the United States, although its charter was not to expire till 1836, and placed in selected State banks. And, for the purpose of showing how much better the public would be accommodated without, than with, a Bank of the United States, these banks were not only encouraged, but admonished, to be free and liberal in loans and discounts, made on the strength of the public moneys, to merchants and other individuals. The circular letter from the Treasury Department, addressed to the new deposit banks, under date of 26th September, 1833, has this significant clause, which could not have been misunderstood:—

“The deposits of public money will enable you to afford increased facilities to commerce, and to extend your accommodation to individuals; and as the duties which are payable to the Government arise from the business and enterprise of the merchants engaged in foreign trade, it is but reasonable that they should be preferred in the additional accommodation which the public deposits will enable your institution to give, whenever it can be done without injustice to the claims of other classes of the community.”

Having read this letter, sir, I ask leave to refer the Senate to the 20th section of the bill now before us. There we find that, “if any officer, charged with the safe-keeping of the public money, shall loan the same, or any portion thereof, with or without interest, such act shall be deemed an embezzlement and a high misdemeanor, and the party convicted thereof shall be sentenced to imprisonment.” Sir, what a pretty piece of consistency is here! In 1833 the depositaries of the public money were not even left to their own desire for gain, or their wishes to accommodate others, as being sufficient incentives to lend it out: they were admonished and directed to afford increased facilities to commerce, and to extend their accommodation to individuals, since the public moneys in their vaults would enable them to give such additional accommodation! Now, sir, under this bill, any officer who shall do any one of the same things, instead of being praised, is to be punished: he is to be adjudged guilty of embezzlement and of a high misdemeanor, and is to be confined, for aught I know, in cells as dark and dismal as the vaults and safes which are to contain our metallic currency. But although I think, sir, that the acts of Government created this

expansion, yet I am certainly of opinion that there was a very undue expansion created. A contraction, however, had begun ; and I am of opinion, that had it not been for the specie order of July, 1836, and for the manner in which the deposit law was executed, the banks would have gone through the crisis without suspension. This is my full and firm belief. I cannot, however, discuss these points here. They were treated with very great ability, last year, by a gentleman who then occupied one of the seats of Georgia on this floor. Whomsoever he did not satisfy, I cannot convince. Still, sir, the question is, whether there was an excess in the general amount of our circulation, in May last, or whether there is now such excess.

By what standard is this to be judged ? If the question be, whether there be too much paper in circulation, it may be answered, by reference to the amount of coin in the banks from which the paper issues ; because I am unquestionably of opinion — an opinion which I believe nothing can ever shake — that the true criterion by which to decide the question of excess, in a convertible paper currency, is the amount of that paper, compared with the gold and silver in the banks. Such excess would not be proved, absolutely and certainly, in every case, by the mere fact of the suspension of specie payments ; because such an event might be produced by panic, or other sudden cause, having power to disturb the best-regulated system of paper circulation. But the immediate question now is, whether, taking the whole circulation together, both metallic and paper, there was an excess existing in May, or is an excess now existing ? Is one hundred and thirty millions an excessive or undue amount of circulation for the United States ? Seeing that one part of this circulation is coin, and the other part paper, resting upon coin, and intended to be convertible, is the whole mass more than may be fairly judged necessary to represent the property, the transactions, and the business of the country ? Or, in order to sustain such an amount of circulation, and to keep that part of it which is composed of paper in a safe state, should we be obliged to attempt to draw to ourselves more than our just proportion of that metallic money, which is in the use of all the commercial nations ? These questions appear to me to be but different modes of stating the same inquiry.

Upon this subject we may, perhaps, form some general idea, by comparing ourselves with others. Various things, no doubt, exist, in different places and countries, to modify, either by enlarging or diminishing, the demand for money or currency in the transactions of business ; still, the amount of trade and commerce may furnish a general element of comparison between different states or nations. The aggregate of American imports and exports in 1836 was three hundred and eighteen millions ; that of England, reckoning the

pound sterling at \$4 80, again, was four hundred and eighty millions, as near as I can ascertain ; the currency of England being, as already stated, sixty millions sterling, or two hundred and eighty-eight millions of dollars. If we work out a result from these proportions, the currency of the United States, it will be found, should be one hundred and ninety millions, in order to be equal to that of England ; but, according to the estimates of the Treasury, it did not, even in that year, exceed one hundred and eighty millions.

Our population is about equal to that of England and Wales ; the amount of our mercantile tonnage, perhaps, one fifth less. But, then, we are to consider that our country is vastly wider ; and our facilities of internal exchange, by means of bills of exchange, greatly less. Indeed, there are branches of our intercourse, in which remittances cannot be well made, except in currency. Take one example : The agricultural products of Kentucky are sold to the South ; her purchases of commodities made at the North. There can be, therefore, very little of direct exchange between her and the places of purchase and sale. The trade goes round in a circle. Therefore, while the Bank of the United States existed, payments were made to a vast amount in the North and East by citizens of Kentucky, and of the States similarly situated, not in bills of exchange, but in the notes of the Bank.

These considerations augment the demand for currency. More than all, the country is new, sir ; almost the whole of our capital active ; and the entire amount of property, in the aggregate, rapidly increasing. In the last three years, thirty-seven millions of acres of land have been separated from the wilderness, purchased, paid for, and become subject to private individual ownership, to transfer and sale, and all other dispositions to which other real estate is subject. It has thus become property, to be bought and sold for money ; whereas, while in the hands of Government, it called for no expenditure, formed the basis of no transactions, and created no demand for currency. Within that short period, our people have bought from Government a territory as large as the whole of England and Wales, and, taken together, far more fertile by nature. This seems incredible, yet the returns show it. Suppose all this to have been bought at the minimum price of a dollar and a quarter per acre ; and suppose the value to be increased in the common ratio in which we know the value of land is increased, by such purchase, and by the preliminary steps and beginnings of cultivation ; an immense augmentation, it will readily be perceived, is made, even in so short a time, of the aggregate of property, in nominal price, and, to a great extent, in real value also.

On the whole, sir, I confess I know no standard by which I can decide that our circulation is at present in excess. I do not believe it is so. Nor was there, as I think, any depreciation in the value of

money, up to the moment of the suspension of specie payments by the banks, comparing our currency with the currency of other nations. An American paper dollar would buy a silver dollar in England, deducting only the charge of transporting a dollar across the ocean, because it commanded a silver dollar here. There may be excess, however, I admit, where there is no present depreciation, in the sense in which I now use the term.

It is hardly necessary to dwell, Mr. President, on the evils of a suddenly diminished circulation. It arrests business, puts an end to it, and overwhelms all debtors, by depression and downfall of prices. And even if we reduce circulation — not suddenly, but still reduce it farther than is necessary to keep it within just and reasonable limits — we produce many mischiefs; we augment the necessity of foreign loans; we contract business, discourage enterprise, slacken the activity of capital, and restrain the commercial spirit of the country. It is very important to be remembered, sir, that, in our intercourse with other nations, we are acting on a principle of equality; that is to say, we do not protect our own shipping interest by peculiar privileges; we ask a clear field, and seek no favor. Yet, the materials for ship-building are high with us, and the wages of ship-builders and seamen are high also. We have to contend against these unfavorable circumstances; and if, in addition to these, we are to suffer further by unnecessary restraints on currency, and by a cramped credit, who can tell what may be the effect? Money is abundant in England, very abundant; the rate of interest, therefore, is low, and capital will be seeking its investment wherever it can hope to find it. If we derange our own currency, compulsively curtail circulation, and break up credit, how are the commerce and navigation of the United States to maintain themselves against foreign competition?

Before leaving, altogether, this subject of an excessive circulation, Mr. President, I will say a few words upon a topic which, if time would permit, I should be glad to consider at more length; I mean, sir, the proper guards and securities for a paper circulation. I have occasionally addressed the Senate on this subject before, especially in the debate on the specie circular, in December, 1836; but I wish to recur to it again, because I hold it to be of the utmost importance to prove, if it can be proved, to the satisfaction of the country, that a convertible paper currency may be so guarded as to be secure against probable dangers. I say, sir, a convertible paper currency; for I lay it down as an unquestionable truth, that no paper can be made equal, and kept equal to gold and silver, but such as is convertible into gold and silver, on demand. But I have gone farther, and still go farther than this; and I contend that even convertibility, though itself indispensable, is not a certain and unfailing ground of reliance. There is a liability to excessive issues of paper, even

while paper is convertible at will. Of this there can be no doubt. Where, then, shall a regulator be found? What principle of prevention may we rely on?

Now I think, sir, it is too common with banks, in judging of their condition, to set off all their liabilities against all their resources. They look to the quantity of specie in their vaults, and to the notes and bills becoming payable, as means or assets; and, with these, they expect to be able to meet their returning notes, and to answer the claims of depositors. So far as the bank is to be regarded as a mere bank of discount, all this is very well. But banks of circulation exercise another function. By the very act of issuing their own paper, they affect the general amount of currency. In England, the Bank of England, and in the United States, all the banks, expand or contract the amount of circulation, of course, as they increase or curtail the general amount of their own paper. And this renders it necessary that they should be regulated and controlled. The question, is, by what rule? To this I answer, by subjecting all banks to the rule which the most discreet of them always follow — by compelling them to maintain a certain fixed proportion between specie and circulation; without regarding deposits on one hand, or notes payable on the other.

There will always occur occasional fluctuations in trade, and a demand for specie, by one country on another, will arise. It is too much the practice, when such occurrences take place, and specie is leaving the country, for banks to issue more paper, in order to prevent a scarcity of money. But exactly the opposite course should be adopted. A demand for specie to go abroad should be regarded as conclusive evidence of the necessity of contracting circulation. If, indeed, in such cases, it could be certainly known that the demand would be of short duration, the temporary pressure might be relieved by an issue of paper to fill the place of departing specie. But this never can be known. There is no safety, therefore, but in meeting the case at the moment, and in conforming to the infallible index of the exchanges. Circulating paper is thus kept always nearer to the character, and to the circumstances of that, of which it is designed to be the representative — the metallic money. This subject might be pursued, I think, and clearly illustrated; but, for the present, I only express my belief that, with experience before us, and with the lights which recent discussions, both in Europe and America, hold out, a national bank might be established, with more regard to its function of regulating currency, than to its function of discount, on principles, and subject to regulations, such as should render its operations extremely useful; and I should hope that, with an example before them of plain and eminent advantage, State institutions would conform to the same rules and principles; and that, in this way, all the advantages of convertible paper might be enjoyed, with just security against its dangers.

I have detained the Senate too long, sir, with these observations upon the state of the country, and its pecuniary system and condition.

And now, when the banks have suspended payments, universally; when the internal exchanges are all deranged, and the business of the country most seriously interrupted, the questions are —

Whether the measure before us is suitable to our condition, and?

Whether it is a just and proper exercise and fulfilment of the powers and duties of Congress?

What, then, sir, will be the practical operation and effect of this measure, if it should become a law?

Like its predecessor of the last session, the bill proposes nothing for the general currency of the country; nothing to restore exchanges; nothing to bring about a speedy resumption of specie payments by the banks. Its whole professed object is the collection and disbursement of the public revenue. Some of its friends, indeed, say, that when it shall go into operation, it will, *incidentally*, produce a favorable effect on the currency, by restraining the issue of bank paper. But others press it as if its effect was to be the final overthrow of all banks, and the introduction of an exclusive metallic currency for all the uses of the country.

Are we to understand, then, that it is intended, by means, of which this is the first, to rid the country of all banks, as being but so many nuisances, and to abolish all paper currency whatever?

Or is it expected, on the contrary, that after this system shall be adopted for the use of Government, there will still be a paper currency in the country for the use of the people?

And if there shall still be a paper currency, will that currency consist of irredeemable Government paper, or of convertible bank notes, such as have circulated heretofore? These questions must be answered, before we can judge accurately of the operation of this bill.

As to an exclusive metallic currency, sir, the Administration on this point is regularly Janus-faced. Out doors, and among the people, it shows itself "all *clinquant*, all in gold." There, every thing is to be hard money — no paper rags — no delusive credits — no bank monopolies — no trust in paper of any kind. But in the Treasury Department, and in the Houses of Congress, we see another aspect — a mixed appearance, partly gold and partly paper; gold for Government, and paper for the people. The small voice which is heard here, allows the absolute necessity of paper of some sort, and to some extent: while the shouts in the community demand the destruction of all banks, and the final extermination of all paper circulation.

To the people, the lion roars against paper money in all the loudness and terror of his natural voice; but to members of Congress, he is more discreet; lest he should frighten them out of their wits,

he here restrains and modulates, and roars "as gently as any sucking dove, or, as it were, any nightingale." The impracticability of an exclusive metallic currency, the absurdity of attempting any such thing in a country like this, is so manifest, that nobody here undertakes to support it by any reasoning or argument. All that is said in its favor, is general denunciation of paper, boisterous outcry against the banks, and declamation against existing institutions, full of sound and fury, signifying nothing.

The moment any one considers it, he sees how ridiculous any such attempt would be. An exclusive metallic circulation for the second commercial country on earth, in the nineteenth century! Sir, you might as well propose to abolish commerce altogether.

The currency of England is estimated at sixty millions sterling; and it is Mr. McCulloch's calculation, that if this currency were all gold, allowing only one quarter of one per cent. for wear of metals, the annual expense, attending such a currency, would be three millions and a quarter a year, or nearly five per cent. upon the whole. With us, this charge would be much greater. The loss of capital would be more, owing to the higher rates of interest; and besides all this, is the cost of transportation, which, in a country so extensive as ours, would be vast, and not easily calculated. We should also require, proportionally, more specie than is requisite in England, because our system of exchange, by means of bills of exchange, is, at present, and would be, under such a system as is proposed, much less perfect and convenient than that of England. Besides, the English metallic circulation is mostly gold, gold being in England the standard metal. With us, silver and gold both are made standards, at a fixed relation; and if we should succeed to keep this relation so true as to preserve both of the precious metals among us, (which, indeed, is not very probable,) our circulation would be still more expensive and cumbrous, from the quantity of silver which it would contain. The silver in the world is estimated to be fifty times as much as the gold in amount, and consequently something more than three times in value. If both should circulate, therefore, equally, in proportion to value, the currency would be three parts silver, and one gold.

Now, sir, the annual expense of such a circulation, upon the basis of Mr. McCulloch's estimate, would exceed the whole annual expenditure made for our army and our navy. Consider, sir, the amount of actual daily payments made in the country. It is difficult to estimate it, and quite impossible to ascertain it, with any accuracy. But we can form some notion of it, by the daily amount of payments in the banks in some of the cities. In times of prosperous business and commerce, the daily amount of payments in the banks of New York alone has been equal to eight millions. Whether we call this a tenth, a twentieth, or a fiftieth part of all the payments

and receipts made daily in the country, we see to what an aggregate result the whole would rise. And how is it possible that such amount of receipt and payment could be performed by an actual passing of gold and silver from hand to hand ?

Such notions, sir, hardly require serious refutation.

Mr. President, an entire metallic currency would necessarily create banks immediately. Where would the money be kept, or how could it be remitted ? Banks of deposit must and would be instantly provided for it. Would the merchants of the cities be seen, in their daily walks of business, with servants behind them with bags of gold and kegs of silver on their wheel-barrows ? What folly is great enough to imagine this ? If there were not now a bank-note nor a bank in the country, and if there should be an exclusive specie currency to-morrow morning at nine o'clock, there would be fifty banks before sunset. From necessity, there would be created at once places of deposit ; and persons having money in such depositories would draw checks for it, and pass these checks as money, and from one hand they would pass to another ; or the depository himself would issue certificates of deposit, and these would pass as currency. And all this would do no more than just to carry us back two or three hundred years, to the infancy of banks. We should then have done nothing but reject the experience of the most civilized nations, for some centuries, as well as all our own experience, and have returned to the rude conceptions of former times. These certificates of deposit would soon be found to be often issued without any solid capital, or actual deposit. Abuses arising from this source would call for legislative interference, and the Legislature would find it necessary to restrain the issue of paper intended for circulation, by enacting that such issues should only be made on the strength of competent capital, actually provided and assigned, placed under proper regulation, and managed by persons responsible to the laws. And this would bring us again exactly to the state of things in which we now are ; that is to say, to the use of the paper of banks, established, regulated, and controlled by law. In the mean time, before this process could be carried through, half the community would be made bankrupt by the ruin of their business, and by the violent and revolutionary changes of property which the process would create. The whole class of debtors, all that live more by industry than on capital, would be overwhelmed with undistinguishing destruction.

There will then, sir, be no such thing as an exclusive paper currency. The country will not be guilty of the folly of attempting it.

I should have felt that I had occupied too much time with such a senseless and preposterous suggestion, were it not the manifest object of partisans to press such notions upon the attention of the people, in aid of the war against the banks.

We shall then, sir, have paper of some sort, forming a part of our currency. What will that paper be? The honorable gentleman from South Carolina, admitting that paper is necessary as a part of the currency, or circulation, has contended that that paper ought to be Government paper — Government paper, not convertible nor redeemable, only so far as by being receivable for debts and dues to Government. My colleague has endeavored to satisfy the Senate, that the aim of the whole system, of which he regards this bill as but part, is to establish a circulation of Government paper and a Government bank. Other gentlemen have taken the same view of it. But, as the bill itself does not profess any such purpose, I am willing to discuss it in the character in which it presents itself. I take it for what its friends say it is — a bill making further provision for collecting the revenues.

We are, then, sir, still to have paper as a general medium of circulation; that paper is to be the paper of banks. But Government is to be divorced from these banks, altogether. It is not to keep its funds in them, as heretofore. It is to have nothing to do with them, is not to receive their notes, but is to collect and disburse its revenues by its own means and its own officers.

The receipt of the notes of specie-paying banks is to be partially allowed for some time, but it is to be gradually discontinued; and six years hence, we are to arrive at the maturity and the perfection of the system. When that auspicious day comes, Government is to receive and to pay out gold and silver, and nothing but gold and silver.

Now, Mr. President, let us anticipate this joyous epoch; let us suppose the six years to have expired; and let us imagine this bill, with its specie payments and all, to be in full operation at the present hour. What will that operation be? In the first place, disregarding all question of public convenience, or the general interests of the people, how will this system work as a mere mode of collecting and paying out revenue? Let us see.

Our receipts and expenditures may be estimated, each, at thirty millions a year. Those who think this estimate either too high or too low, may make the necessary allowance. Here, then, is the sum of thirty millions, to be collected and paid out every year; and it is all to be counted, actually told over, dollar after dollar, and gold piece after gold piece; and how many times counted? Let us inquire into that. The importing merchant, whose ship has arrived, and who has cash duties to pay, goes to the bank for his money, and the tellers count it out: that is once. He carries it to the custom-house, pays it, and the clerks count it over: that is twice. Some days afterwards, the collector takes it out of his bags and chests, carries it to the receiver-general's office, and there it is counted again, and poured into the bags and chests of that office:



that is the third time. Presently a warrant comes from the Treasury, in favor of some disbursing officer, and the boxes are opened, and the necessary sums counted out: this is the fourth counting. And, fifthly and lastly, the disbursing officer pays it to the persons entitled to receive it, on contracts, or for pensions, salaries, or other claims. Thirty millions of hard money are thus to be handled and told over five times in the course of the year; and if there be transfers from place to place, then, of course, it is to be counted so much oftener. Government officers, therefore, are to count over one hundred and fifty millions of dollars a year; which, allowing three hundred working days to the year, gives five hundred thousand dollars a day. But this is not all. Once a quarter, the naval officer is to count the collector's money, and the register in the land office is to count the receiver's money. And moreover, sir, every now and then the Secretary of the Treasury is to authorize unexpected and *impromptu* countings, in his discretion, and just to satisfy his own mind!

Sir, what a money-counting, tinkling, jingling generation we shall be! All the money-changers in Solomon's temple will be as nothing to us. Our sound will go forth unto all lands. We shall all be like the king in the ditty of the nursery:

"There sat the king, a counting of his money."

You will observe, sir, that these receipts and payments cannot be made in parcels, without the actual handling of each piece of coin. The marks on kegs of dollars, and the labels on bags of gold, are not to be trusted. They are a part of *credit* — and all credit, all trust, all confidence, is to be done away with. When the surveyor, for instance, at the custom-house, is to *examine the money on hand*, in possession of the collector, or receiver-general, he is, of course, to count the money. No other examination can come to any thing. He cannot tell, from external appearance, nor from the weight, whether the collector has loaned out the money, and filled the bags and boxes up with sand and lead, or not. Nor can counterfeit pieces be otherwise detected than by actual handling. He must open, he must examine, he must count. And so at the land offices, the mints, and elsewhere. If these officers shall have a taste for silver sounds, they are all likely to be gratified.

Mr. President, in all soberness, is not this whole operation preposterous?

It begins by proposing to *keep* the public moneys. This, itself, in the sense the word is here used, is a perfect novelty, especially in the United States. Why *keep* the public moneys; that is to say, why hoard them, why *keep* them out of use? The use of money is in the exchange. It is designed to circulate, not to be hoarded. All that Government should have to do with it, is to

receive it to-day, that it may pay it away to-morrow. It should not receive it before it needs it; and it should part with it as soon as it owes it. To *keep* it—that is, to detain it, to hold it back from general use, to hoard it—is a conception belonging to barbarous times and barbarous Governments. How would it strike us, if we should see other great commercial nations acting upon such a system? If England, with a revenue of fifty millions sterling a year, were found to be collecting and disbursing every shilling of it in hard money, through all the ramifications of her vast expenditure, should we not think her mad? But the system is worse here, because it withdraws just so much active capital from the uses of a country that requires capital, and is paying interest for capital wherever it can obtain it.

But now, sir, allow me to examine the operation of this measure upon the general interest of commerce, and upon the general currency of the country. And in this point of view, the first great question is, *What amount of gold and silver will this operation subtract from the circulation of the country, and from the use of the banks?*

In regard to this important inquiry, we are not without the means of forming some judgment. An official report from the Treasury, made to the other House, shows that, for the last ten years, there has been, at the end of each year, on an average, fifteen millions and four hundred thousand dollars in the Treasury. And this sum is exclusive of all that had been collected of the people, but had not yet reached the Treasury; and also of all that had been drawn from the Treasury by disbursing officers, but which had not yet been by them paid to individuals. Adding these sums together, sir, and the result is, that on an average for the last ten years, there have been at least twenty millions of dollars in the Treasury. I do not mean, of course, that this sum is, the whole of it, unappropriated. I mean that this amount has in fact been in the Treasury, either not appropriated, or not called for under appropriations; so that if this sub-treasury scheme had been in operation, in times past, of the specie in the currency, twenty millions would have been constantly locked up in the safes and vaults. Now, sir, I do not believe that, for these ten years, the whole amount of silver and gold in the country has exceeded, on the average, fifty or sixty millions. I do not believe it exceeds sixty millions at the present moment; and if we had now the whole system in complete operation, it would lock up, and keep locked up, one full third of all the specie in the country. Locked up, I say—hoarded—rendered as useless, to all purposes of commerce and business, as if it were carried back to its native mines. Sir, is it not inconceivable that any man should fall upon such a scheme of policy as this? Is it possible that any one can fail to see the destructive effects of such a policy on the commerce and the currency of the country?

It is true, the system does not come into operation all at once. But it begins its demands for specie immediately ; it calls upon the banks, and it calls upon individuals, for their hard dollars, that they may be put away and locked up in the Treasury, *at the very moment when the country is suffering for want of more specie in the circulation, and the banks are suffering for means to enable them to resume their payments.* And this, it is expected, will improve the currency, and facilitate resumption !

It has heretofore been asserted, that the general currency of the country needed to be strengthened by the introduction of more specie into the circulation. This has been insisted on for years. Let it be conceded. I have admitted it, and, indeed, contended for the proposition heretofore, and endeavored to prove it. But it must be plain to every body, that any addition of specie, in order to be useful, must either go into the circulation, as a part of that circulation, or else it must go into the banks, to enable them the better to sustain and redeem their paper. But this bill is calculated to promote neither of those ends, but exactly the reverse. It withdraws specie from the circulation and from the banks, and piles it up in useless heaps in the Treasury. It weakens the general circulation, by making the portion of specie, which is part of it, so much the less ; it weakens the banks, by reducing the amount of coin which supports their paper. The general evil imputed to our currency, for some years past, is, that paper has formed too great a portion of it. The operation of this measure must be to increase that very evil. I have admitted the evil, and have concurred in measures to remedy it. I have favored the withdrawing of small bills from circulation, to the end that specie might take their place. I discussed this policy, and supported it, as early as 1832. My colleague, who, shortly after that period, was placed in the chair of the chief magistracy of Massachusetts, pressed its consideration, at length, upon the attention of the Legislature of that State. I still think it was a right policy. Some of the States had begun to adopt it. But the measures of the Administration, and especially this proposed measure, throw this policy all aback. They undo at once all that we have been laboring. Such, and so pertinacious has been the demand of Government for specie, and such new demand does this bill promise to create, that the States have found themselves compelled again to issue small bills for the use of the people. It was a day of rejoicing, as we have lately seen, among the people of New York, when the Legislature of that State suspended the small-bill restraining law, and furnished the people with some medium for small payments, better than the miserable trash which now annoys the community.

The Government, therefore, I insist, is evidently breaking down its own declared policy ; it is defeating, openly and manifestly defeating, its own professed objects.

And yet, theory, imagination, presumptuous generalization, the application of military movements to questions of commerce and finance, and the abstractions of metaphysics, offer us, in such a state of things, their panacea. And what is it? What is it? What is to cure or mitigate these evils, or what is to ward off future calamities? Why, sir, the most agreeable remedy imaginable; the kindest, tenderest, most soothing, and solacing application in the whole world! Nothing, sir, nothing upon earth, but a smart, delightful, perpetual, and irreconcilable warfare, between the Government of the United States and the State banks! All will be well, we are assured, when the Government and the banks become antagonistical! Yes, sir, "antagonistical!" that is the word. What a stroke of policy, sir, is this! It is as delicate a stratagem as poor old King Lear's, and a good deal like it. It proposes that we should tread lightly along, in felt or on velvet, till we get the banks within our power, and then, "kill, kill, kill!"

Sir, we may talk as much as we please about the resumption of specie payments; but I tell you that, with Government thus warring upon the banks, if resumption should take place, another suspension, I fear, would follow. It is not war, successful or unsuccessful, between Government and the banks; it is only peace, trust, confidence, that can restore the prosperity of the country. This system of perpetual annoyance to the banks, this hoarding up of money which the country demands for its own necessary uses, this bringing of the whole revenue to act, not in aid and furtherance, but in direct hinderance and embarrassment of commerce and business, is utterly irreconcilable with the public interest. We shall see no return of former times till it be abandoned — altogether abandoned. The passage of this bill will only create new alarm and new distress.

People begin already to fear their own Government. They have an actual dread of those who should be their protectors and guardians. There are hundreds of thousands of honest and industrious men, sir, at this very moment, who would feel relieved in their circumstances, who would see a better prospect of an honest livelihood, and feel more sure of the means of food and clothing for their wives and children, if they should hear that this measure had received its death. Let us, then, sir, away with it. Do we not see the world prosperous around us? Do we not see other governments and other nations, enlightened by experience, and rejecting arrogant innovations and theoretic dreams, accomplishing the great ends of society?

Why, sir, why are we — why are we alone among the great commercial States? Why are we to be kept on the rack and torture of these experiments? We have powers, adequate, complete powers. We need only to exercise them; we need only to perform our constitutional duty, and we shall spread content, cheerfulness, and joy, over the whole land.

This brings me, sir, to the second inquiry.

Is this measure, Mr. President, a just exercise of the powers of Congress, and does it fulfil all our duties?

Sir, I have so often discussed this point, I have so constantly insisted, for several years past, on the constitutional obligation of Congress to take care of the currency, that the Senate must be already tired of the speaker, if not weary of the topic; and yet, after all, this is the great and paramount question. Until this is settled, the agitation can never be quieted. If we have not the power, we must leave the whole subject in the hands of those who have it, or in no hands; but if we have the power, we are bound to exercise it, and every day's neglect is a violation of duty. I, therefore, again insist, that we have the power, and I again press its exercise on the two Houses of Congress. I again assert, that the regulation of the general currency — of the money of the country, whatever actually constitutes that money — is one of our solemn duties.

The constitution confers on us, sir, the exclusive power of coinage. This must have been done for the purpose of enabling Congress to establish one uniform basis for the whole money system. Congress, therefore, and Congress alone, has power over the foundation, the ground-work, of the currency; and it would be strange and anomalous, having this, if it had nothing to do with the structure, the edifice, to be raised on this foundation! Convertible paper was already in circulation when the constitution was framed, and must have been expected to continue and to increase. But the circulation of paper tends to displace coin; it may banish it altogether: at this very moment it has banished it. If, therefore, the power over the coin does not enable Congress to protect the coin, and to restrain any thing which would supersede it, and abolish its use, the whole power becomes nugatory. If others may drive out the coin, and fill the country with paper which does not represent coin, of what use, I beg to know, is that exclusive power over coins and coinage which is given to Congress by the constitution?

Gentlemen on the other side admit that it is the tendency of paper circulation to expel the coin; but then they say, that, for that very reason, they will withdraw from all connection with the general currency, and limit themselves to the single and narrow object of protecting the coin, and providing for payments to Government. This seems to me to be a very strange way of reasoning, and a very strange course of political conduct. The coinage-power was given to be used for the benefit of the whole country, and not merely to furnish a medium for the collection of revenue. The object was to secure, for the general use of the people, a sound and safe circulating medium. There can be no doubt of this intent. If any evil arises, threatening to destroy or endanger this medium or

this currency, our duty is to meet it, not to retreat from it ; to remedy it, not to let it alone ; we are to control and correct the mischief, not to submit to it. Wherever paper is to circulate, as subsidiary to coin, or as performing, in a greater or less degree, the function of coin, its regulation naturally belongs to the hands which hold the power over the coinage. This is an admitted maxim by all writers ; it has been admitted and acted upon, on all necessary occasions, by our own Government, throughout its whole history. Why will we now think ourselves wiser than all who have gone before us ?

This conviction of what was the duty of Government led to the establishment of the bank in the administration of General Washington. Mr. Madison, again, acted upon the same conviction in 1816, and Congress entirely agreed with him. On former occasions, I have referred the Senate, more than once, to the clear and emphatic opinions and language of Mr. Madison, in his messages in 1815 and 1816, and they ought to be repeated, again and again, and pressed upon the public attention.

And now let me say, sir, that no man in our history has carried the doctrine farther, defended it with more ability, or acted upon it with more decision and effect, than the honorable member from South Carolina. His speech upon the Bank bill, on the 26th of February, 1816, is strong, full, and conclusive. He has heretofore said that some part of what he said on that occasion does not appear in the printed speech ; but, whatever may have been left out by accident, that which is in the speech could not have got in by accident. Such accidents do not happen. A close, well-conducted, and conclusive constitutional argument, is not the result of an accident or of chance ; and his argument on that occasion, as it seems to me, was perfectly conclusive. Nor could the gentleman who reported the speech, a gentleman of talent though he is, have framed such an argument, during the time occupied in preparing the report for the press. As to what is actually in the speech, therefore, there can be no mistake. The honorable gentleman, in that speech, founds the right of regulating the paper currency directly on the coinage power. "The only object," he says, "the framers of the constitution could have in view, in giving to Congress the power to coin money, regulate the value thereof, and of foreign coin, must have been to give a steadiness and fixed value to the currency of the United States." The state of things, he insisted, existing at the time of the adoption of the constitution, afforded an argument in support of the construction. There then existed, he said, a depreciated paper currency, which could only be regulated and made uniform by giving a power, for that purpose, to the General Government.

He proceeded to say, that, by a sort of under-current, the power of Congress to regulate the money of the country had caved in, and

upon its ruin had sprung up those institutions which now exercised the right of making money for and in the United States. "For gold and silver (he insisted) are not the only money; but whatever is the medium of purchase and sale; in which bank paper alone was now employed, and had, therefore, become the money of the country." "The right of making money," he added, "an attribute of sovereign power, a sacred and important right, was exercised by two hundred and sixty banks, scattered over every part of the United States."

Certainly, sir, nothing can be clearer than this language; and, acting vigorously upon principles thus plainly laid down, he conducted the Bank bill through the House of Representatives. On that occasion, he was the champion of the power of Congress over the currency; and others were willing to follow his lead.

But the Bank bill was not all. The honorable gentleman went much farther. The bank, it was hoped and expected, would furnish a good paper currency to the extent of its own issues; but there was a vast quantity of bad paper in circulation, and it was possible that the mere influence of the bank, and the refusal to receive this bad money at the Treasury, might not, both, be able to banish it entirely from the country. The honorable member meant to make clean work. He meant that neither Government nor people should suffer the evils of irredeemable paper. Therefore, he brought in another bill, entitled "A bill for the more effectual collection of the public revenue." By the provisions of this bill, he proposed to lay a direct stamp tax on the bills of State banks; and all notes of non-specie-paying banks were, by this stamp, to be branded with the following words, in distinct and legible characters, at length — "NOT A SPECIE NOTE." For the tax laid on such notes, there was to be no composition, no commutation; but it was to be specifically collected, on every single bill issued, until those who issued such bills should announce to the Secretary of the Treasury, and prove to his satisfaction, that, after a day named in the bill, all their notes would be paid in specie on demand.

And now, how is it possible, sir, for the author of such a measure as this, to stand up and declare, that the power of Congress over the currency is limited to the mere regulation of the coin? So much for our authority, as it has heretofore been admitted and acknowledged, under the coinage power.

Nor, sir, is the other source of power, in my opinion, at all more questionable.

Congress has the supreme regulation of commerce. This gives it, necessarily, a superintendence over all the interests, agencies, and instruments of commerce. The words are general, and they confer the whole power. When the end is given, all the usual means are given. Money is the chief instrument or agent of commerce; there can, indeed, be no commerce without it, which

deserves the name. Congress must, therefore, regulate it as it regulates other indispensable commercial interests. If no means were to be used to this end but such as are particularly enumerated, the whole authority would be nugatory, because no means are particularly enumerated. We regulate ships; their tonnage; their measurement; the shipping articles; the medicine chest; and various other things belonging to them; and for all this we have no authority but the general power to regulate commerce; none of these, or other means or modes of regulation, are particularly and expressly pointed out.

But is a ship a more important instrument of commerce than money? We protect a policy of insurance, because it is an important instrument of ordinary commercial contract; and our laws punish with death any master of a vessel, or others, who shall commit a fraud on the parties to this contract by casting away a vessel. For all this we have no express authority. We infer it from the general power of regulating commerce, and we exercise the power in this case, because a policy of insurance is one of the usual instruments, or means, of commerce. But how inconsiderable and unimportant is a policy of insurance, as the means or an instrument of commerce, compared with the whole circulating paper of a country!

Sir, the power is granted to us; and granted without any specification of means; and therefore we may lawfully exercise all the usual means. I need not particularize these means, nor state, at present, what they are or may be. One is, no doubt, a proper regulation of receipts at the custom-houses and land-offices. But this, of itself, is not enough. Another is a national bank, which, I fully believe, would, even now, answer all desired purposes, and reinstate the currency in ninety days. These, I think, are the means to be first tried; and if, notwithstanding these, irredeemable paper should overwhelm us, others must be resorted to. We have no direct authority over State banks; but we have power over the currency, and we must protect it, using, of course, always, such means, if they be found adequate, as shall be most gentle and mild. The great measure, sir, is a bank; because a bank is not only able to restrain the excessive issues of State banks, but it is able also to furnish for the country a currency of universal credit, and of uniform value. This is the grand desideratum. Until such a currency is established, depend on it, sir, what is necessary for the prosperity of the country can never be accomplished.

On the question of power, sir, we have a very important and striking precedent.

The members of the senate, Mr. President, will recollect the controversy between New York and her neighbor States, fifteen or sixteen years ago, upon the exclusive right of steam navigation. New York had granted an exclusive right of such navigation over her waters

to Mr. Fulton and his associates ; and declared by law that no vessel propelled by steam should navigate the North River or the Sound, without license from these grantees, under penalty of confiscation.

To counteract this law, the Legislature of New Jersey enacted, that if any citizen of hers should be restrained, or injured, in person or property, by any party acting under the law of New York, such citizen should have remedy in her courts, if the offender could be caught within her territory, and should be entitled to treble damages and costs. New Jersey called this act a *law of retortion* ; and justified it on the general ground of *reprisals*.

On the other side, Connecticut took fire, and as no steam-boat could come down the Sound from New York to Connecticut, or pass up from Connecticut to New York, *without a New York license*, she enacted a law, by which heavy penalties were imposed upon all who should presume to come into her ports and harbors, *having any such license*.

Here, sir, was a very harmonious state of commercial intercourse ! a very promising condition of things, indeed ! You could not get from New York to New Haven by steam ; nor could you go from New York to New Jersey, without transshipment in the bay. And now, sir, let me remind the country, that this belligerent legislation of the States concerned was justified and defended, by exactly the same arguments as those which we have heard in this debate. Every thing which has been said here, to prove that the authority to regulate commerce does not include a power to regulate currency, was said in that case, to prove that the same authority did not include an exclusive power over steam-boats or other means of navigation. I do not know a reason, a suggestion, an idea, which has been used in this debate, or which was used in the debate in September, to show that Congress has no power to control the currency of the country, and make it uniform, which was not used in this steam-boat controversy, to prove that the authority of this Government did not reach the matter then in dispute. Look to the forensic discussions in New York ! Look to the argument in the court here ! You will find it every where urged that *navigation* does not come within the general idea of regulating commerce ; that steam-boats are but vehicles and instruments ; that the power of Congress is general, and general only ; and that it does not extend to agents and instruments.

And what, sir, put an end to this state of things ? What stopped these seizures and confiscations ? Nothing in the world, sir, but the exercise of the constitutional power of this Government. Nothing in the world, but the decision of the Supreme Court, that the power of Congress to regulate commerce was paramount ; that it overruled any interfering State laws ; and that these acts of the States did interfere with acts of Congress, enacted under its clear constitutional authority.

As to the extent of the power of regulating commerce, allow me to quote a single sentence from the opinion of one of the learned judges of the Supreme Court, delivered on that occasion; a judge always distinguished for the great care with which he guarded State rights: I mean Mr. Justice Johnson. And when I have read it, sir, then say, if it does not confirm every word and syllable which I have uttered on this subject, either now or at the September session. "In the advancement of society," said the judge, "labor, transportation, intelligence, care, and various means of exchange, become commodities, and enter into commerce; *and the subject, the vehicle, the agent, and these various operations, become the objects of commercial regulation.*"

These just sentiments prevailed. The decision of the Court quieted the dangerous controversy; and satisfied, and I will add gratified, most highly gratified, the whole country.

Sir, may we not perceive at the present moment, without being suspected of looking with eyes whose sight is sharpened by too much apprehension—may we not perceive, sir, in what is now passing around us, the possible beginnings of another controversy between States, which may be of still greater moment, and followed, unless arrested, by still more deplorable consequences? Do we see no danger, no disturbance, no contests ahead? Sir, do we not behold excited commercial rivalry, evidently existing between great States and great cities? Do we not see an emulous competition for trade, external and internal? Do we not see the parties concerned enlarging, and proposing to enlarge, to a vast extent, their plans of currency, evidently in connection with these objects of trade and commerce? Do we not see States themselves becoming deeply interested in great banking institutions? Do we not know that, already, the notes and bills of some States are prohibited by law from circulating in others?

Sir, I will push these questions no farther: but I tell you that it was for exactly such a crisis as this—for this very crisis—for this identical exigency now upon us—that this constitution was framed, and this Government established. And, sir, let those who expect to get over this crisis without effort and without action, let those whose hope it is that they may be borne along on the tide of circumstances and favorable occurrences, and who repose in the denial of their own powers and their own responsibility—let all such look well to the end.

For one, I intend to clear myself from all blame. I intend, this day, to free myself of the responsibility of consequences, by warning you of the danger into which you are conducting our public affairs, by urging and entreating you, as I do now urge and entreat you, by invoking you, as I do invoke you, by your love of country, and your fidelity to the constitution, to abandon all untried expe-

dients ; to put no trust in ingenuity and contrivance ; to have done with projects which alarm and agitate the people ; to seek no shelter from obligation and duty ; but with manliness, directness, and true wisdom, to apply to the evils of the times their proper remedy. That Providence may guide the counsels of the country to this end, before even greater disasters and calamities overtake us, is my most fervent prayer !

Mr. President, on the subject of the power of Congress, as well as on other important topics connected with the bill, the honorable gentleman from South Carolina has advanced opinions of which I feel bound to take some notice.

That honorable gentleman, in his recent speech, attempted to exhibit a contrast between the course of conduct which I, and other gentleman who act with me, at present pursue, and that which we have heretofore followed. In presenting this contrast, he said, he intended nothing personal ; his only object was truth. To this I could not object. The occasion requires, sir, that I should now examine *his* opinions ; and I can truly say, with him, that I mean nothing personally injurious, and that my object, also, is truth, and nothing else. Here I might stop ; but I will even say something more.

It is now five and twenty years, sir, since I became acquainted with the honorable gentleman, in the House of Representatives, in which he had held a seat, I think, about a year and a half before I entered it. From that period, sir, down to the year 1824, I can say, with great sincerity, there was not, among my political contemporaries, any man for whom I entertained a higher respect, or warmer esteem. When we first met, we were both young men. I beheld in him a generous character, a liberal and comprehensive mind, engrossed by great objects, distinguished talent, and, particularly, great originality and vigor of thought. That he was ambitious, I did not doubt ; but that there was any thing in his ambition low or sordid, any thing approaching to a love of the mere loaves and fishes of office, I did not then believe, and do not now believe. If, from that moment down to the time I have already mentioned, I differed with him on any great constitutional question, I do not know it.

But, in 1824, events well known to the Senate separated us ; and that separation remained, wide and broad, until the end of the memorable session which terminated in March, 1833. With the events of that session, our occasions of difference had ceased ; certainly for the time, and, as I sincerely hoped, forever. Before the next meeting of Congress, the public deposits had been removed from their lawful custody by the President. Respecting this exercise of the Executive power, the honorable gentleman and myself entertained the same opinions ; and, in regard to subsequent trans-

actions connected with that, and growing out of it, there was not, so far as I know, any difference of sentiment between us. We looked upon all these proceedings but as so many efforts to give to the Executive an unconstitutional control over the public moneys. We thought we saw, every where, proofs of a design to extend Executive authority, not only in derogation of the just powers of Congress, but to the danger of the public liberty. We acted together, to check these designs, and to arrest the march of Executive prerogative and dominion. In all this, we were but coöperating with many other gentlemen here, and with a large and intelligent portion of the whole country.

The unfortunate results of these Executive interferences with the currency had made an impression on the public mind. A revolution seemed in progress, and the people were coming in their strength, as we began to think, to support us and our principles.

In this state of things, sir, we met here at the commencement of the September session ; but we met, not as we had done ; we met, not as we had parted. The events of May, the policy of the President in reference to those events, the doctrines of the message of September, the principles and opinions which the honorable gentleman, both to my surprise and to my infinite regret, came forward then to support, rendered it quite impossible for us to act together, for a single moment longer. To the leading doctrines of that message, and to the policy which it recommended, I felt, and still feel, a deep, conscientious, and irreconcilable opposition. The honorable gentleman supported, and still supports, both. Here, then, we part. On these questions of constitutional power and duty, and on these momentous questions of national policy, we separate. And so broad and ample is the space which divides us, and so deep does the division run, touching even the very foundations of the Government, that, considering the time of life to which we both have arrived, it is not probable that we are to meet again. I say this with unfeigned and deep regret. Believe me, sir, I would most gladly act with the honorable gentleman. If he would but come back, now, to what I consider his former principles and sentiments ; if he would place himself on those constitutional doctrines which he has sustained through a long series of years ; and if, thus standing, he would exert his acknowledged ability to restore the prosperity of the country, and put an end to the mischiefs of reckless experiments and dangerous innovation, — I would not only willingly act *with* him, I would act *under* him ; I would follow him, I would support him, I would back him, at every step, to the utmost of my power and ability. Such is not to be our destiny. That destiny is, that we here *part* : and all I can say further is, that he carries with him the same feeling of personal kindness on my part, the same hearty good-will which have heretofore inspired me.

There have been three principal occasions, sir, on which the honorable gentleman has expressed his opinions upon the questions now under discussion. They are, his speech of the 15th September, his published letter of the 3d November, and his leading speech at the present session. These productions are all marked with his characteristic ability; they are ingenious, able, condensed, and striking. They deserve an answer. To some of the observations in the speech of September, I made a reply on the day of its delivery; there are other parts of it, however, which require a more deliberate examination.

Mr. President, the honorable gentleman declares in that speech, "that he belongs to the State Rights party; that that party, from the beginning of the Government, has been opposed to a national bank as unconstitutional, inexpedient, and dangerous; that it has ever dreaded the union of the political and moneyed power, and the central action of the Government, to which it so strongly tends; that the connection of the Government with the banks, whether it be with a combination of State banks, or with a national institution, will necessarily centralize the action of the system at the principal point of collection and disbursement, and at which the mother bank, or the head of the league of State banks, must be located. From that point, the whole system, through the connection with the Government, will be enabled to control the exchanges both at home and abroad, and, with it, the commerce, foreign and domestic, including exports and imports."

Now, sir, this connection between Government and the banks, to which he imputes such mischievous consequences, he describes to be "the receiving and paying away their notes as cash; and the use of the public money, from the time of the collection to the disbursement."

Sir, if I clearly comprehend the honorable gentleman, he means no more, after all, than this; that, while the public revenues are collected, as heretofore, through the banks, they will lie in the banks between the time of collection and the time of disbursement; that, during that period, they will be regarded as one part of the means of business and of discount possessed by the banks; and that, as a greater portion of the revenue is collected in large cities than in small ones, these large cities will, of course, derive greater benefit than the small ones from these deposits in the banks. In other words, that, as the importing merchants in a great city pay more duties to Government than those in a small one, so they enjoy a corresponding advantage to be derived from any use which the banks may make of these moneys, while on deposit with them. Now, sir, I would be very glad to know, supposing all this to be true, what there is in it either unequal or unjust. The benefit is exactly in proportion to the amount of business, and to the sums paid. If individu-

als in large cities enjoy the incidental use of more money, it is simply because they pay more money. It is like the case of credit on duty bonds. Whoever imports goods with the benefit of giving bond for duties, instead of making present payment, enjoys a certain benefit; and this benefit, in a direct sense, is in proportion to the amount of goods imported — the large importer having credit for a large sum, the small importer having credit for a smaller sum. But the advantage, the benefit, or the indulgence, or whatever we call it, is, nevertheless, entirely equal and impartial.

How then does the collection of revenue through the banks “centralize” the action of the commercial system? It seems to me, sir, the cause is mistaken for the effect. The greatest amount of revenue is collected in the greatest city, because it is already the greatest city; because its local advantages, its population, its capital and enterprise, draw business towards it, constitute it a central point in commercial operations, and have made it the greatest city. It is the centralization of commerce by these just and proper causes — causes which must always exist in every country — which produces a large collection of revenue in the favored spot. The amount of capital is one very important cause, no doubt; and leaving public moneys in the banks till wanted, allows to merchants, in places of large import, a degree of incidental benefit, in just proportion to the amount of capital by them employed in trade, and no more.

I suppose, sir, it is the natural course of things, in every commercial country, that some place, or a few places, should go ahead of others in commercial importance. This must ever be so, until all places possess precisely equal natural advantages. And I suppose, too, that, instead of being mischievous, it is rather for the common good of all, that there should be some commercial emporium, some central point, for the exchanges of trade. Government, certainly, should not seek to produce this result by the bestowal of unequal privileges; but surely, sir, it would be a very strange and indefensible policy which should lead the Government to withhold any portion of the capital of the country from useful employment, merely because that, if employed, while all enjoyed the benefit proportionately, all would not enjoy it with the same absolute mathematical equality.

So much, sir, for concentration, arising from depositing the revenues in banks. Let us now look to the other part of the connection, viz. the receiving of bank notes for duties. How in the world does this “centralize” the commercial system? The whole tendency and effect, as it seems to me, is directly the other way. It counteracts centralization. It gives all possible advantage to local currency and local payments, and thereby encourages both imports and exports. It makes local money good every where. If

goods be imported into Charleston, the duties are paid in Charleston notes. New York notes are not demanded. Nothing, certainly, can be fairer or more equal than this, and nothing more favorable to the Charleston importers.

But how would that system work, which the gentleman himself proposes?

If his plan could prevail, he would have the duties collected either in specie, or in a Government paper to be issued from the Treasury. He would reject all bank notes whatever. If the gentleman, sir, fears centralization, I am astonished that he does not see centralization in all its terrors in this very proposition of his own. Pray allow me to ask, sir, Where will this Government paper, in the course of its issue and circulation, naturally centre? To what points will it tend? Certainly, most certainly, to the greatest points of collection and expenditure; to the very heart of the metropolitan city, wherever that city may be. This is as inevitable as the fall of water or the results of attraction. If two thirds of the duties be collected in New York, it will follow of course, that two thirds of any Government paper received for duties will be there received; and it will be more valuable there than elsewhere. The value of such paper would consist in its receivability, and nothing else. It would always tend, therefore, directly to the spot where the greatest demand should exist for it for that purpose. Is it not so at this moment with the outstanding Treasury notes? Are they abundant in Georgia, in Mississippi, in Illinois, or in New Hampshire? No sooner issued, than they commence their march toward the place where they are most valued and most in demand; that is, to the place of the greatest public receipt. If you want concentration, sir, and enough of it — if you desire to dry up the small streams of commerce, and fill more full the deep and already swollen great channels — you will act very wisely to that end, if you keep out of the receipt of the Treasury all money but such paper as the Government may furnish, and which shall be no otherwise redeemable than in receipt for debts to Government, while at the same time you depress the character of the local circulation.

Such is the scheme of the honorable member in its probable commercial effect. Let us look at it in a political point of view.

The honorable member says he belongs to the State-rights party; that party professes something of an uncommon love of liberty; an extraordinary sensibility to all its dangers; and of those dangers, it most dreads the union of the political and money power. This we learn from the authentic declaration of the gentleman himself. And now, oh, transcendent consistency! oh, most wonderful conformity of means and ends! oh, exquisite mode of gratifying high desires! behold, the honorable member proposes that the political power of the State shall take to itself the whole function of supplying the en-

the paper circulation of the country, by notes or bills of its own, issued at its own discretion, to be paid out or advanced to whomsoever it pleases, in discharging the obligations of Government, bearing no promise to pay, and to be kept in circulation merely by being made receivable at the Treasury ! The whole circulation of the country, excepting only that which is metallic, and which must always be small, will thus be made up of mere Government paper, issued for Government purposes, and redeemable only in payment of Government debts. In other words, the entire means of carrying on the whole commerce of the country will be held by Government in its own hands, and made commensurate, exactly, with its own wants, purposes, and opinions ; the whole commercial business of the country being thus made a mere appendage to revenue.

But, sir, in order that I may not misrepresent the honorable member, let me show you a little more distinctly what his opinions are respecting this Government paper.

The honorable member says, sir, that to make this Sub-Treasury measure successful, and to secure it against reaction, some safe and stable medium of circulation, "to take the place of bank notes in the fiscal operations of the Government, ought to be issued ;" that, "in the present condition of the world, a paper currency, in some form, if not necessary, is almost indispensable, in financial and commercial operations of civilized and extensive communities ;" that "the great desideratum is to ascertain what description of paper has the requisite qualities of being free from fluctuation in value, and liability to abuse in the greatest perfection ;" that "bank notes do not possess these requisites in a degree sufficiently high for this purpose." And then he says, "I go farther. It appears to me, after bestowing the best reflection I can give the subject, that no convertible paper, that is, no paper whose credit rests upon a *promise to pay*, is suitable for currency." "On what, then, (he asks,) ought a paper currency to rest ?" "I would say," he answers, "on demand and supply simply ; which regulate the value of every thing else — the constant demand which Government has for its necessary supplies." He then proceeds to observe, "that there might be a sound and safe paper currency, founded on the credit of Government exclusively ;" "that such paper, only to be issued to those who had claims on the Government, would, in its habitual state, be at or above par with gold and silver ;" that "nothing but experience can determine what amount, and of what denominations, might be safely issued ; but that it might be safely assumed that the country would absorb an amount greatly exceeding its annual income. Much of its exchanges, which amount to a vast sum, as well as its banking business, would revolve about it ; and many millions would thus be kept in circulation beyond the demands of the Government."

By this scheme, sir, Government, in its disbursements, is not to pay money, but to issue paper. This paper is no otherwise payable or redeemable than as it may be received at the Treasury. It is expected to be let out much faster than it comes in, so that many millions will be kept in circulation ; and its habitual character will be at or above par with gold and silver ! Now, sir, if there is to be found any where a more plain, and obvious project of paper money, in all its deformity, I should not know where to look for it.

In the first place, sir, I have suggested the complete union which it would form, if it were, in itself, practicable, between the political and the money power.

The whole commerce of the country, indeed, under such a state of law, would be little more than a sort of incident to Treasury operations — rather a collateral emanation of the revenue system than a substantial and important branch of the public interest. I have referred, also, to its probable consequences upon that which the gentleman regards as so great an evil, and which he denominates “ the centralization of commercial action.”

And now I pray you to consider, Mr. President, in the next place, what an admirable contrivance this would be to secure that economy in the expenses of Government which the gentleman has so much at heart. Released from all necessity of taxation, and from the consequent responsibility to the people ; not called upon to regard at all the amount of annual income ; having an authority to cause Treasury notes to issue whenever it pleases,

“ In multitudes, like which the populous North
Poured never from her frozen loins, to pass
Rhene, or the Danau ; ”

what admirable restraint would be imposed on Government, how doubly sure would assurance be made for it, that all its expenditures would be strictly limited to the absolute and indispensable wants and demands of the public service !

But, sir, fortunately, very fortunately, a scheme so wild, and which would be so mischievous, is totally impracticable. It rests on an assumption for which there is not the least foundation, either in reason or experience. It takes for granted that which the history of every commercial state refutes, and our own, especially, in almost every page. It supposes that irredeemable Government paper can circulate in the business of society, and be kept at par. This is an impossibility. The honorable gentleman rejects convertible bank notes, which are equivalent to specie, since they will always command it, and adopts, in their stead, Government paper, with no promise to pay, but a promise only to be received for debts and taxes ; and he puts forth the imagination, as I have said, so often and so long refuted, that this paper will be kept in circulation in the

country, and will be able to perform the great business of currency and exchange, even though it exist in quantities exceeding, by many millions, the demands of Government.

If it be necessary, sir, at this day, to refute ideas like these, it must be because the history of all countries, our own included, is a dead letter to us. Even at the very moment in which I am speaking, the small amount of Treasury notes which has been issued by Government, hardly a fifth part of the ordinary annual revenue — though those notes bear an interest of five per cent. — though they are redeemable in cash at the Treasury, at the expiration of the year — and though, in the mean time, they are every where received in Government dues, are not only of less value than specie, but of less value, also, than the notes of non-specie-paying banks; those banks whose paper is daily denounced here as “rags, filthy rags.” In my opinion, sir, the whole scheme is as visionary and impracticable as any which the genius of project ever produced.

Mr. President, toward the close of this speech of September, I find a paragraph in which several other subjects are brought together, and which I must ask permission to read.

Having commended the wise and noble bearing of the little State-rights party, of which he says it is his pride to be a member throughout the eventful period through which the country has passed since 1824, he adds:

“In that year, as I have stated, the tariff system triumphed in the councils of the nation. We saw its disastrous political bearings; foresaw its surpluses, and the extravagances to which it would lead; we rallied on the election of the late President to arrest it through the influence of the executive department of the Government. In this we failed. We then fell back upon the rights and sovereignty of the States; and, by the action of a small but gallant State, and through the potency of its interposition, we brought the system to the ground, sustained, as it was, by the opposition and the administration, and by the whole power and patronage of the Government.”

Every part of this most extraordinary statement well deserves attention.

In the first place, sir, here is an open and direct avowal that the main object for rallying on General Jackson's first election, was to accomplish the overthrow of the protecting policy of the country. Indeed! Well, this is very frank. I am glad to hear the avowal made. It puts an end to all suspicions.

It was, then, to overthrow protection, was it, that the honorable gentleman took so much pains to secure General Jackson's first election? I commend his candor in now acknowledging it. But, sir, the honorable member had allies and associates in that rally;

they thronged round him from all quarters, and zealously followed his lead. And pray, sir, was his object, as now avowed by himself, the joint object of all the party? Did he tell Pennsylvania, honest, intelligent, straight-forward Pennsylvania, that such was his purpose? And did Pennsylvania concur in it? Pennsylvania was first and foremost in espousing the cause of General Jackson. Every body knows she is more of a tariff State than any other in the Union. Did he tell her that his purpose was to break the tariff entirely down? Did he state his objects, also, to New York? Did he state them to New Jersey? What say you, gentlemen from Pennsylvania? gentlemen from New York? and gentlemen from New Jersey? Ye who supported General Jackson's election, what say you? Was it your purpose, also, by that election, to break down the protective policy? Or, if it were not your purpose, did you know, nevertheless — pray let us understand that — did you know, nevertheless, that it *was* the purpose, and the main purpose, of the honorable member from Carolina? and did you, still, coöperate with him?

The present Chief Magistrate of the country was a member of this body in 1828. He and the honorable member from Carolina were, at that time, exerting their united forces, to the utmost, in order to bring about General Jackson's election. Did they work thus zealously together, for the same ultimate end and purpose; or did they mean merely to change the Government, and then each to look out for himself?

Mr. Van Buren voted for the tariff bill of that year, commonly called the "bill of abominations;" but, very luckily, and in extremely good season, *instructions* for that vote happened to come from Albany! The vote, therefore, could be given, and the member giving it could not possibly thereby give any offence to any gentleman of the State-rights party, with whom the doctrine of instructions is so authentic.

Sir, I will not do gentlemen injustice. Those who belonged to tariff States, as they are called, and who supported General Jackson for the Presidency, did not intend thereby to overthrow the protecting policy. They only meant to make General Jackson President, and to come into power along with him! As to ultimate objects, each had his own. All could agree, however, in the first step. It was difficult, certainly, to give a plausible appearance to a political union, among gentlemen who differed so widely on the great and leading question of the times — the question of the protecting policy. But this difficulty was overcome by the oracular declaration that General Jackson was in favor of a "JUDICIOUS TARIFF."

Here, sir, was ample room and verge enough. Who could object to a *judicious tariff*? Tariff men and Anti-tariff men, State-

rights men and Consolidationists, those who had been called prodigals, and those who had been called radicals, all thronged and flocked together here, and with all their difference in regard to ultimate objects, agreed to make common cause, till they should get into power.

The ghosts, sir, which are fabled to cross the Styx, whatever different hopes or purposes they may have beyond it, still unite, in the present wish to get over, and therefore all hurry and huddle into the leaky and shattered craft of Charon, the ferryman. And this motley throng of politicians, sir, with as much difference of final object, and as little care for each other, made a boat of "Judicious Tariff," and all rushed and scrambled into it, until they filled it, near to sinking. The authority of the master was able, however, to keep them peaceable and in order, for the time, for they had the virtue of submission, and though with occasional dangers of upsetting, he succeeded in pushing them all over with his long setting-pole.

"Ipse ratem conto subigit."

Well, sir, the honorable gentleman tells us that he expected, when General Jackson should be elected, to arrest the tariff system *through the influence of the Executive Department*. Here is another candid confession. Arrest the tariff by Executive influence! Indeed! Why, sir, this seems like hoping, from the first, for the use of the Veto. How, but by the Veto, could the Executive arrest the tariff acts? And is it true, sir, that, at that early day, the honorable member was looking to the Veto, not with dread, but with hope? Did he expect it, and did he rely upon it? Did he make the rally of which he speaks, in order that he might choose a President who would exercise it? And did he afterwards complain of it, or does he complain of it now, only because it was ill directed—because it turned out to be a thunderbolt, which did not fall in the right place?

In this reliance on Executive influence—sir, I declare I hardly can trust myself that I read or quote correctly, when I find, in what I read, or from what I quote, the honorable member from South Carolina, by his own confession, hoping or expecting to accomplish any thing by Executive influence; yet so was it spoken, and so is it printed—in this reliance, or this hope, or expectation, founded on Executive influence, the honorable gentleman and his friends failed; and, failing in this, he says, they fell back on the sovereignty of the States, and brought the system to the ground "through the potency of interposition;" by which he means neither more nor less than Nullification. So then, sir, according to this, that excessive fear of power which was so much cherished by the Nullifiers, was only awakened to a flame in their bosoms, when they found that they

could not accomplish their own ends by the Executive power of the President.

I am no authorized commentator, sir, on the doctrines or theories of Nullification. *Non nostrum*. But, if this exposition be authentic, I must say it is not calculated to diminish my opposition to the sentiments of that school.

But the gentleman goes on to tell us that nullification, or interposition, succeeded. By means of it, he says, he did bring the protective system to the ground. And so, in his published letter of November 3d, he states that "State interposition has overthrown the protective tariff, and, with it, the American system."

We are to understand, then, sir, first, that the compromise act of 1833 was forced upon Congress by State interposition, or nullification.

Next, that its object and design, so far as the honorable gentleman was concerned in it, was to break down and destroy, forever, the whole protective policy of the country.

And lastly, that it has accomplished that purpose, and that the last vestige of that policy is wearing away.

Now, sir, I must say, that, in 1833, I entertained no doubt at all that the design of the gentleman was exactly what he now states. On this point, I have not been deceived. It was not, certainly, the design of all who acted with him; but that it was his purpose, I knew then, as clearly as I know now, after his open avowal of it; and this belief governed my conduct at the time, together with that of a great majority of those in both Houses of Congress, who, after the act of 1824, felt bound to carry out the provisions of that act, and to maintain them reasonably and fairly. I opposed the compromise act with all my power. It appeared to me every way objectionable: it looked like an attempt to make a new constitution; to introduce another fundamental law, above the power of Congress, and which should control the authority and discretion of Congress, in all time to come. This, of itself, was a conclusive objection with me; I said so then, have often said so since, and say so now. I said, then, that I, for one, should not be bound by that law more than by any other law, except that, as it was a law passed on a very important and agitating subject, I should not be disposed to interfere with it, until a case of clear necessity should arise. On this principle I have acted since. When that case of necessity shall arise, however, should I be in public life, I shall concur in any alteration of that act which such necessity may require. That such an occasion may come, I more than fear. I entertain something stronger than a doubt upon the possibility of maintaining the manufactures and industry of this country, upon such a system as the compromise act will leave us, when it shall have gone through its processes of reduction. All this, however, I leave to the future.

Having had occasion, Mr. President, to speak of Nullification and the Nullifiers, I beg leave to say that I have not done so for any purpose of reproach. Certainly, sir, I see no possible connection, myself, between their principles or opinions, and the support of this measure. They, however, must speak for themselves. They may have intrusted the bearing of their standard, for aught I know, to the hands of the honorable member from South Carolina; and I perceived last session, what I perceive now, that in his opinion there is a connection between these projects of Government and the doctrines of Nullification. I can only say, sir, that it will be marvellous to me, if that banner, though it be said to be tattered and torn, shall yet be lowered in obeisance, and laid at the footstool of Executive power. To the sustaining of that power, the passage of this bill is of the utmost importance. The Administration will regard its success as being to them, what Cromwell said the battle of Worcester was to him — “a crowning mercy.” Whether gentlemen who have distinguished themselves so much by their extreme jealousy of this Government, shall now find it consistent with their principles to give their aid in accomplishing this consummation, remains to be seen.

The next exposition of the honorable gentleman's sentiments and opinions, is his letter of November 3d.

This letter, sir, is a curiosity. As a paper describing political operations, and exhibiting political opinions, it is without a parallel. Its phrase is altogether military. It reads like a despatch, or a bulletin from head-quarters. It is full of attacks, assaults, and repulses. It recounts movements and counter-movements; speaks of occupying one position, falling back upon another, and advancing to a third; it has positions to cover enemies, and positions to hold allies in check. Meantime, the celerity of all these operations reminds one of the rapidity of the military actions of the king of Prussia, in the seven years' war. Yesterday, he was in the south, giving battle to the Austrian — to-day he is in Saxony, or Silesia; instantly he is found to have traversed the electorate, and is facing the Russian and the Swede on his northern frontier. If you look for his place on the map, before you find it, he has quitted it. He is always marching, flying, falling back, wheeling, attacking, defending, surprising; fighting every where, and fighting all the time. In one particular, however, the campaigns, described in this letter, differ from the manner in which those of the great Frederick were conducted. I think we no where read, in the narrative of Frederick's achievements, of his taking a position to cover an enemy, or a position to hold an ally in check. These refinements, in the science of tactics and of war, are of more recent discovery.

Mr. President, public men must certainly be allowed to change their opinions, and their associations, whenever they see fit. No

one doubts this. Men may have grown wiser ; they may have attained to better and more correct views of great public subjects. It would be unfortunate, if there were any code which should oblige men, in public or private life, to adhere to opinions once entertained, in spite of experience and better knowledge, and against their own convictions of their erroneous character. Nevertheless, sir, it must be acknowledged, that what appears to be a sudden, as well as a great change, naturally produces a shock. I confess, for one, I was shocked, when the honorable gentleman, at the last session, espoused this bill of the Administration. And when I first read this letter of November, and, in the short space of a column and a half, ran through such a succession of political movements, all terminating in placing the honorable member in the ranks of our opponents, and entitling him to take his seat, as he has done, among them, if not at their head, I confess I felt still greater surprise. All this seemed a good deal too abrupt. Sudden movements of the affections, whether personal or political, are a little out of nature.

Several years ago, sir, some of the wits of England wrote a mock play, intended to ridicule the unnatural and false feeling, the *sentimentality*, of a certain German school of literature. In this play, two strangers are brought together at an inn. While they are warming themselves at the fire, and before their acquaintance is yet five minutes old, one springs up and exclaims to the other, "A sudden thought strikes me ! Let us swear an eternal friendship !"

This affectionate offer was instantly accepted, and the friendship duly sworn, unchangeable and eternal ! Now, sir, how long this eternal friendship lasted, or in what manner it ended, those who wish to know, may learn by referring to the play.

But it seems to me, sir, that the honorable member has carried his political sentimentality a good deal higher than the flight of the German school ; for he appears to have fallen suddenly in love, not with strangers, but with opponents.

Here we all had been, sir, contending against the progress of Executive power, and more particularly, and most strenuously, against the projects and experiments of the Administration upon the currency. The honorable member stood among us, not only as an associate, but as a leader. We thought we were making some headway. The people appeared to be coming to our support and our assistance. The country had been roused ; every successive election weakening the strength of the adversary, and increasing our own. We were in this career of success carried strongly forward by the current of public opinion, and only needed to hear the cheering voice of the honorable member,

" Once more unto the breach, dear friends, once more ! "

and we should have prostrated, forever, this anti-constitutional, anti-

commercial, anti-republican, and anti-American policy of the Administration. But, instead of these encouraging and animating accents, behold ! in the very crisis of our affairs, on the very eve of victory, the honorable member cries out — to the enemy — not to us, his allies — but to the enemy — “Holloa ! A sudden thought strikes me ! I abandon my allies ! Now I think of it, they have always been my oppressors ! I abandon them, and now let *you and me* swear an eternal friendship !”

Such a proposition, from such a quarter, sir, was not likely to be long withstood. The other party was a little coy, but, upon the whole, nothing loath. After proper hesitation, and a little decorous blushing, it owned the soft impeachment, admitted an equally-sudden sympathetic impulse on its own side ; and, since few words are wanted where hearts are already known, the honorable gentleman takes his place among his new friends, amidst greetings and caresses, and is already enjoying the sweets of an eternal friendship.

In this letter, Mr. President, the writer says, in substance, that he saw, at the commencement of the last session, that affairs had reached the point, when he and his friends, according to the course they should take, would reap the full harvest of their long and arduous struggle, against the encroachments and abuses of the General Government, or lose the fruits of all their labors.

At that time, he says, State interposition (*viz.* Nullification) had overthrown the protecting tariff and the American system, and put a stop to Congressional usurpation ; that he had previously been united with the National Republicans ; and that their joint attacks had brought down the power of the Executive ; but that, in joining such allies, he was not insensible to the embarrassment of his position ; that, with them, victory itself was dangerous ; and that therefore he had been waiting for events ; that now, (that is to say, in September last,) the joint attacks of the allies had brought down Executive power ; that the Administration had become divested of power and influence, and that it had become clear that the combined attacks of the allied forces would utterly overthrow and demolish it. All this he saw. But he saw, too, as he says, that in that case the victory would enure, not to him or his cause, but to his allies and their cause. I do not mean to say that he spoke of personal victories, or alluded to personal objects, at all. He spoke of his cause.

He proceeds to say, then, that never was there before, and never, probably, will there be again, so fair an opportunity for himself and his friends to carry out *their own principles and policy*, and to reap the fruits of their long and arduous struggle. These principles and this policy, sir, be it remembered, he represents, all along, as identified with the principles and policy of Nullification. And he makes use of this glorious opportunity, by refusing to join his late allies in any further attack on those in power, and rallying anew the old State-

rights party to hold in check their old opponents, the National Republican party. This, he says, would enable him to prevent the complete ascendancy of his allies, and to compel the Southern division of the Administration party to occupy the ground of which he proposes to take possession, to wit, the ground of the old State-rights party. They will have, he says, no other alternative.

Mr. President, stripped of its military language, what is the amount of all this, but that, finding the Administration weak, and likely to be overthrown, if the opposition continued with undiminished force, he went over to it, to join it; to act, himself, upon nullification principles; and to compel the Southern members of the Administration to meet him on those principles?—in other words, to make a nullification Administration, and to take such part in it as should belong to him and his friends. He confesses, sir, that in thus abandoning his allies, and taking a position to cover those in power, he perceived a shock would be created, which would require some degree of resolution and firmness. In this he was right. A shock, sir, has been created; yet there he is.

This Administration, sir, is represented as succeeding to the last, by an inheritance of principle. It professes to tread in the footsteps of its illustrious predecessor. It adopts, generally, the sentiments, principles, and opinions, of General Jackson — *Proclamation and all*; and yet, though he be the very prince of Nullifiers, and but lately regarded as the chiefest of sinners, it receives the honorable gentleman with the utmost complacency: to all appearance the delight is mutual: they find him an able leader; he finds them complying followers. But, sir, in all this movement, he understands himself. He means to go ahead, and to take them along. He is in the engine-car; he controls the locomotive. His hand regulates the steam, to increase or retard speed, at his own discretion. And as to the occupants of the passenger-cars, sir, they are as happy a set of gentlemen as one might desire to see, of a summer's day. They feel that they are in progress; they hope they shall not be run off the track; and when they reach the end of their journey, they desire to be thankful!

The arduous struggle is now all over. Its richest fruits are all reaped; Nullification embraces the Sub-Treasuries, and oppression and usurpation will be heard of no more.

On the broad surface of the country, sir, there is a spot called "the Hermitage." In that residence is an occupant very well known, and not a little remarkable both in person and character. Suppose, sir, the occupant of the Hermitage were now to open that door, enter the Senate, walk forward, and look over the Chamber to the seats on the other side. Be not frightened, gentlemen; it is but fancy's sketch. Suppose he should thus come in among us, sir, and see into whose hands has fallen the chief support of that Administration, which

was, in so great a degree, appointed by himself, and which he fondly relied on to maintain the principles of his own. If gentlemen were now to see his steady military step, his erect posture, his compressed lips, his firmly-knitted brow, and his eye full of fire, I cannot help thinking, sir, they would all feel somewhat queer. There would be, I imagine, not a little awkward moving and shifting in their seats. They would expect soon to hear the roar of the lion, even if they did not feel his paw.

I proceed, sir, to the speech of the honorable member, delivered on the 15th of February last, in which he announces propositions, respecting the constitutional power of Congress, which, if they can be maintained, must necessarily give a new direction to our legislation, and would go far towards showing the necessity of the present bill.

The honorable member, sir, insists that Congress has no right to make general deposits of the public revenue in banks; and he denies, too, that it can authorize the reception of any thing but gold and silver in the payment of debts and dues to the Government.

These questions, sir, are questions of magnitude, certainly, and, since they have been raised, ought to be answered. They may be considered together. Allow me, in the first place, however, to clear them from some extraneous matter. The honorable member puts the first question thus: Have we the right to make deposits in the banks, in order to bestow confidence in them, with a view to enable them to resume specie payments? And, by way of illustration, asks the further question, whether Government could constitutionally bestow on individuals, or a private association, the same advantages, in order to enable *them* to pay their debts. But this I take not to be the question. The true inquiry is, May not Congress authorize the public revenue, in the intervening time between its receipt and its expenditure, to be deposited in banks, for the general purpose of safe-keeping, in the same way as individuals deposit their own money? And if this mode of safe-keeping be attended with incidental advantages, of considerable importance to the community, is not that a reason which may properly govern the discretion of Congress in the case? To benefit the banks, or to benefit the community, is, in this case, not the main object; it is only the incident; and as to the case put for illustration, it would not be expected of Congress, certainly, to make deposits with individuals with a view, principally, of enabling such individuals to pay their debts; it might, nevertheless, be very competent to Congress, in some cases, and a very proper exercise of its power, to deposit money, even with individuals, in such manner as that it might be advantageous to the depository. This incidental or consequential advantage results, often, from the nature of the transac-

tion, and is inseparable from it. It may always be enjoyed, more or less, by any one who holds public money for disbursement. In order to the necessary exercise of any of its powers, Government doubtless may make contracts with banks or other corporations as well as with individuals. If it has occasion to buy bills of exchange, it may buy them of banks. If it has stock or Treasury notes to sell, it may sell to banks, as the Secretary of the Treasury has lately proposed. It may employ banks, therefore, at its discretion, for the keeping of the public moneys, as those moneys must be kept somewhere. It can no more need a specific grant of power in the constitution for such a purpose, than one merchant, becoming agent for another to receive and pay out money, would need a particular clause in his authority, enabling him to use banks for these purposes as other persons use them. No question has ever been raised in this Government about the power of Congress to authorize such deposits. Mr. Madison, in opposing the first bank charter in 1791, argued, strenuously, that a Bank of the United States was not necessary to Government as a depository of the public moneys, because, he insisted, its use could be supplied by other banks. This sufficiently shows his opinion. And in 1800, Congress made it the duty of the collectors of customs to deposit bonds for duties in the bank and its branches for collection.

When the charter of the first bank expired, in 1811, almost every gentleman who opposed its renewal contended that it was not necessary for the purpose of holding deposits of revenue, because State banks could answer all such purposes equally well. A strong and prevailing tone of argument runs through all the speeches on that occasion, tending to this conclusion, viz. that Government may derive from State banks all the benefit which a Bank of the United States could render. In 1816, when the charter of the last bank was granted, it contained, as originally presented, no provision for making the public deposits in the bank. The bill was probably drawn, in this particular, from the model of the first charter, in which no such clause was contained, without adverting to the law of 1800; but a section was introduced, on my motion, making it the duty of collectors to deposit the public moneys in the bank and its branches. It was this section of the law which some of us thought was violated by the removal of the deposits. The main object of the deposit bill of 1836, as we know, was to regulate deposits of the public money with the State banks; so that, from the commencement of the government to the present time, nobody has thought of making any question of the constitutional power of Congress to make such arrangements.

The gentleman's other proposition, and which he lays down with still more confidence and emphasis, is, that Congress cannot, constitutionally, authorize the receipt of bank notes, though they be

notes of specie-paying banks, in payment of debts to Government ; because, he says, that would make them money ; and if we make them money, then we are bound to control and regulate that money. Most certainly, sir, I agree with the honorable member, that when bank notes become money, we are bound to control and regulate them. I thank him for this admission ; since it goes a great way to support that proposition, for which I have been contending. That bank notes have become money in fact, that they answer the uses of money, that, in many respects, the law treats them as money, is certain. Why, then, are we not already bound to control and regulate them ? The gentleman will say, Because we have not, ourselves, made them money. But is that any answer ? If they have become money in fact, they require the same regulation, and we have the same authority to bestow it, as if they had acquired that character by any acts of our own ; because our power is general : it is to take care of the money of the country, and to regulate all the great concerns of commerce.

But let us see how this opinion of the honorable member stands upon the authorities in our own history.

When the first bank was established, the right of Congress to create such a corporation was, as we all know, very much disputed. Large majorities, however, in both Houses, were of opinion that the right existed, and they therefore granted the charter ; and in this charter there was an express provision that the bills of the bank should be receivable in all payments to Government. Those who opposed the bank did not object to this clause : on the contrary, they went even much further ; and Mr. Madison expressly insisted that Congress might grant or refuse, to State banks, the privilege of having their notes received in revenue. In 1791, therefore, men of all parties supposed that Congress, in its discretion, might authorize the receipt of bank notes. The same principle was incorporated into the bank charter of 1816 : indeed it was in the bill which the gentleman himself reported ; and it passed without objection from any quarter. But this is not all. Mr. President, let us look into the proceedings of the session of 1815-'16 a little more closely. At the commencement of that session, Mr. Madison drew our attention to the state of the currency ; by which he meant the paper currency of the country, which was then very much disordered, as the banks had suspended specie payment during the war, and had not resumed. Early in the progress of the session, the honorable member from South Carolina moved that this part of the message should be referred to a select committee. It was so ordered. The committee was raised, and the honorable gentleman placed at its head. As chairman of the committee, he introduced the bank bill, explained it, defended it, and carried it triumphantly through the House, having in it the provision which I have before mentioned.

But there is something more. At the same session the gentleman introduced the bill for the further collection of the revenue, to which I have already referred, and in which bill he carried the receivability of bank notes much further, and provided that *notes of any bank or bankers which were payable and paid, on demand, in specie, might be allowed and accepted in all payments to the United States*. So that the honorable gentleman himself drew, with his own pen, the very first legal enactment in the history of this Government, by which it was provided that the notes of State banks should be considered and treated as money at the Treasury. Still further, sir: The bill containing this provision did not pass the House; and as I deemed some provision necessary, indispensably necessary, for the state of things then existing, I introduced, I think the very next day after the failure of the honorable gentleman's bill, three resolutions. The two first were merely declaratory, asserting that all duties, taxes, and imposts, ought to be uniform, and that the revenues of the United States ought to be collected and received in the legal currency, or in Treasury notes, or the notes of the Bank of the United States, as by law provided. These two resolutions I agreed to waive, as it was thought they were not essential, and that they might imply some degree of censure upon past transactions. The third resolution was in these words:

"And resolved, further, That the Secretary of the Treasury be, and he hereby is, required and directed to adopt such measures as he may deem necessary to cause, as soon as may be, all duties, taxes, debts, or sums of money accruing or becoming payable to the United States, to be collected and paid in the legal currency of the United States, or Treasury notes, or notes of the Bank of the United States, as aforesaid; and that from and after the 1st day of February next, no such duties, taxes, debts, or sums of money accruing or becoming payable to the United States, as aforesaid, ought to be collected or received otherwise than in the legal currency of the United States, or Treasury notes, or notes of the Bank of the United States, as aforesaid."

The Senate will perceive that, in this resolution of mine, there was no provision whatever for receiving bank notes, except of the Bank of the United States, according to its charter. Well, what happened thereon? Why, sir, if you look into the National Intelligencer of a succeeding day, you will find it stated, that Mr. Calhoun moved to amend Mr. Webster's resolution by *"extending its provisions to the notes of all banks which should, at the time specified therein, pay their notes in specie on demand."*

This amendment was opposed by me, as being unnecessary, inasmuch as all such bills would be received of course, as they always had been received. The honorable member said, that, for his own part, he did not himself think it necessary; he thought such bills

would continue to be received, as they had been, without any new provision ; he had offered the amendment, however, to satisfy the doubts of others ; but since it was opposed, he would withdraw it, and he did withdraw it. The resolution passed the House, therefore, exactly as I had prepared it. But in the Senate it was amended, in the manner which the honorable member had proposed in the House ; and in this amendment the House ultimately concurred.

The provision was thus incorporated into the resolution, became part of the law of the land, and so remains at this very moment. Sir, may I not now say to the honorable member, that, if the constitution of the country has been violated by treating bank notes as money — “Thou art the man !”

How is it possible, sir, the gentleman could so far forget his own agency in these most important transactions, as to stand up here, the other day, and with an air not only of confidence, but of defiance, say, “But I take a still higher ground ; I strike at the root of the mischief. I deny the right of this Government to treat bank notes as money in its fiscal transactions. On this great question I never have before committed myself, though not generally disposed to abstain from forming or expressing opinions.”

I will only add, sir, that this reception and payment of bank notes was expressly recognized by the act of the 14th April, 1836 ; by the deposit act of June of that year ; and by the bill which passed both Houses in 1837, but which the President did neither approve nor return. In all these acts, so far as I know, the honorable member from South Carolina himself concurred.

So much for authority.

But now, sir, what is the principle of construction upon which the gentleman relies to sustain his doctrine ? “The genius of our constitution,” he says, “is opposed to the assumption of power.” This is undoubtedly true ; no one can deny it. But he adds, “Whatever power it gives, is expressly granted.”

But I think, sir, this by no means follows from the first proposition, and cannot be maintained. It is doubtless true that no power is to be assumed ; but then powers may be inferred, or necessarily implied. It is not a question of assumption ; it is a question of fair, just, and reasonable inference. To hold that no power is granted, and no means authorized, but such as are granted or authorized by express words, would be to establish a doctrine that would put an end to the Government. It could not last through a single session of Congress. If such opinions had prevailed in the beginning, it never could have been put in motion, and would not have drawn its first breath. My friend, near me, from Delaware, has gone so fully and so ably into this part of the subject, that it has become quite unnecessary for me to pursue it. Where the

constitution confers on Congress a general power, or imposes a general duty, all other powers necessary for the exercise of that general power, and for fulfilling that duty, are implied, so far as there is no prohibition. We act every day upon this principle, and could not carry on the Government without its aid. Under the power to coin money, we build expensive mints — fill them with officers — punish such officers for embezzlement — buy bullion — and exercise various other acts of power.

The constitution says that the judicial power of the United States shall be vested in certain courts. Under this general authority, we not only establish such courts, but protect their records by penalties against forgery, and the purity of their administration by punishing perjuries.

The Department of the Post-Office is another, and signal instance, of the extent and necessity of implied powers. The whole authority of Congress over this subject is expressed in very few words; they are merely “to establish post-offices and post-roads.” Under this short and general grant, laws of Congress have been extended to a great variety of very important enactments, without the specific grant of any power whatever, as any one may see who will look over the post-office laws. In these laws, among other provisions, penalties are enacted against a great number of offences; thus deducing the highest exercise of criminal jurisdiction, by reasonable and necessary inference, from the general authority. But I forbear from traversing a field already so fully explored.

There are one or two other remarks, sir, in the gentleman’s speech, which I must not entirely omit to notice.

In speaking of the beneficial effects of this measure, one, he says, would be, that “the weight of the banks would be taken from the side of the *tax-consumers*, where it has been from the commencement of the Government, and placed on the side of the *tax-payers*. This great division of the community necessarily grows out of the fiscal action of the Government.”

Sir, I utterly deny that there is the least foundation, in fact, for this distinction. It is an odious distinction, calculated to inspire envy and hatred; and being, as I think, wholly groundless, its suggestion, and the endeavor to maintain it, ought to be resisted and repelled. We are all tax-payers, in the United States, who use articles on which imposts are laid; and who is there that is excused from this tax, or does not pay his proper part of it, according to his consumption? Certainly no one.

On the other hand, who are the *tax-consumers*? Clearly, the army, the navy, the laborers on public works, and other persons in Government employment. But even these are not idle consumers; they are agents of the Government and of the people. Pensioners may be considered as persons who enjoy benefit from the public

taxes of the country, without rendering present service in return ; but the legal provision for them stands on the ground of previous merits, which none deny. If we had a vast national debt, the annual interest of which was a charge upon the country, the holders of this debt might be considered as tax-consumers. But we have no such debt. If the distinction, therefore, which the gentleman states exists any where, most certainly it does not exist here. And I cannot but exceedingly regret that sentiments and opinions should be expressed here, having so little foundation, and yet so well calculated to spread prejudice and dislike, far and wide, against the Government and institutions of the country.

But, sir, I have extended these remarks already to a length for which I find no justification but in my profound conviction of the importance of this crisis in our national affairs. We are, as it seems to me, about to rush madly from our proper spheres. We are to relinquish the performance of our own incumbent duties ; to abandon the exercise of essential powers, confided by the constitution to our hands, for the good of the country. This was my opinion in September—it is my opinion now. What we propose to do, and what we omit to do, are, in my judgment, likely to make a fearful, perhaps a fatal, inroad upon the unity of commerce between these States, as well as to embarrass and harass the employments of the people, and to prolong existing evils.

Sir, whatever we may think of it now, the constitution had its immediate origin in the conviction of the necessity for this uniformity, or identity, in commercial regulations.

The whole history of the country, of every year and every month, from the close of the war of the Revolution to 1789, proves this. Over whatever other interests it was made to extend, and whatever other blessings it now does, or hereafter may, confer on the millions of free citizens who do or shall live under its protection ; even though, in time to come, it should raise a pyramid of power and grandeur, whose apex should look down on the loftiest political structures of other nations and other ages, it will yet be true, that it was itself the child of pressing commercial necessity. Unity and identity of commerce among all the States was its seminal principle. It had been found absolutely impossible to excite or foster enterprise in trade, under the influence of discordant and jarring State regulations. The country was losing all the advantages of its position. The Revolution itself was beginning to be regarded as a doubtful blessing. The ocean before us was a barren waste. No American canvass whitened its bosom—no keels of ours ploughed its waters. The journals of the Congress of the Confederation show the most constant, unceasing, unwearied, but always unsuccessful appeals to the States and the people, to renovate the system, to infuse into that Confederation at once a spirit of union and a spirit

of activity, by conferring on Congress the power over trade. By nothing but the perception of its indispensable necessity — by nothing but their consciousness of suffering from its want — were the States and the people brought, and brought by slow degrees, to invest this power in a permanent and competent Government.

Sir, hearken to the fervent language of the old Congress, in July, 1785, in a letter addressed to the States, prepared by Mr. Monroe, Mr. King, and other great names, now transferred from the lists of living men to the records which carry down the fame of the distinguished dead. The proposition before them, the great object to which they so solicitously endeavored to draw the attention of the States, was this, viz. that "the United States, in Congress assembled, should have the sole and exclusive right of regulating the trade of the States, as well with foreign nations as with each other." This, they say, is urged upon the States by every consideration of local as well as of federal policy; and they beseech them to agree to it, if they wish to promote the strength of the Union, and to connect it by the strongest ties of interest and affection. This was in July, 1785.

In the same spirit, and for the same end, was that most important resolution which was adopted in the House of Delegates of Virginia, on the 21st day of the following January. Sir, I read the resolution entire.

"Resolved, That Edmund Randolph, and others, be appointed commissioners, who, or any five of whom, shall meet such commissioners as may be appointed by the other States in the Union, at a time and place to be agreed on, to take into consideration the trade of the United States; to examine the relative situations and trade of the said States; to consider how far a uniform system in their commercial regulations may be necessary to their common interest and their permanent harmony, and to report to the several States such an act relative to this great object, as, when unanimously ratified by them, will enable the United States, in Congress assembled, effectually to provide for the same; that the said commissioners shall immediately transmit to the several States copies of the preceding resolution, with a circular letter requesting their concurrence therein, and proposing a time and place for the meeting aforesaid."

Here, sir, let us pause. Let us linger at the waters of this original fountain. Let us contemplate this, the first step in that series of proceedings, so full of great events to us and to the world. Notwithstanding the embarrassment and distress of the country, the recommendation of the old Congress had not been complied with. Every attempt to bring the State Legislatures into any harmony of action, or any pursuit of a common object, had signally and disastrously failed. The exigency of the case called for a new movement — for a more direct and powerful attempt to bring the good sense and patriotism of the country into action upon the crisis. A solemn assembly was therefore proposed — a general convention of delegates from all the States. And now, sir, what was the exigency? What was this crisis? Look at the resolution itself;

there is not an idea in it but trade. Commerce! commerce! is the beginning and end of it. The subject to be considered and examined was "the relative situation of the trade of the States;" and the object to be obtained was the "establishment of a uniform system in their commercial regulations, as necessary to the common interest and their permanent harmony." This is all. And, sir, by the adoption of this ever-memorable resolution, the House of Delegates of Virginia, on the 21st day of January, 1786, performed the first act in the train of measures which resulted in that constitution, under the authority of which you now sit in that chair, and I have now the honor of addressing the members of this body.

Mr. President, I am a Northern man. I am attached to one of the States of the North, by the ties of birth and parentage; by the tillage of paternal fields; by education; by the associations of early life; and by sincere gratitude for proofs of public confidence early bestowed. I am bound to another Northern State by adoption, by long residence, by all the cords of social and domestic life, and by an attachment and regard, springing from her manifestation of approbation and favor, which grapple me to her with hooks of steel. And yet, sir, with the same sincerity of respect, the same deep gratitude, the same reverence and hearty good will, with which I would pay a similar tribute to either of these States, do I here acknowledge the Commonwealth of Virginia to be entitled to the honor of commencing the work of establishing this constitution. The honor is hers; let her enjoy it; let her forever wear it proudly; there is not a brighter jewel in the tiara that adorns her brow. Let this resolution stand, illustrating her records, and blazoning her name through all time!

The meeting, sir, proposed by the resolution was holden. It took place, as all know, in Annapolis, in May of the same year; but it was thinly attended, and its members, very wisely, adopted measures to bring about a fuller and more general convention. Their letter to the States on this occasion is full of instruction. It shows their sense of the unfortunate condition of the country. In their meditations on the subject, they saw the extent to which the commercial power must necessarily extend. The sagacity of New Jersey had led her, in agreeing to the original proposition of Virginia, to enlarge the object of the appointment of commissioners, so as to embrace not only commercial regulations, *but other important matters*. This suggestion the commissioners adopted, because they thought, as they inform us, "that the power of regulating trade is of such comprehensive extent, and will enter so far into the general system of the Federal Government, that to give it efficacy, and to obviate questions and doubts concerning its precise nature and limits, might require a correspondent adjustment of other parts of the Federal system." Here you see, sir, that other

powers, such as are now in the constitution, were expected to branch out of the necessary commercial power ; and, therefore, the letter of the commissioners concludes with recommending a general convention, “to take into consideration the *whole situation of the United States*, and to devise such further provisions as should appear necessary to render the constitution of the Federal Government adequate to the exigencies of the Union.”

The result of that convention was the present constitution. And yet, in the midst of all this flood of light, respecting its original objects and purposes, and while we cannot but see the adequate powers which it confers for accomplishing these purposes, we abandon the commerce of the country, we betray its interests, we turn ourselves away from its most crying necessities. Sir, it will be a fact, stamped in deep and dark lines upon our annals ; it will be a truth, which in all time can never be denied or evaded, that if this constitution shall not, now and hereafter, be so administered as to maintain a uniform system in all matters of trade ; if it shall not protect and regulate the commerce of the country, in all its great interests, in its foreign intercourse, in its domestic intercourse, in its navigation, in its currency, in every thing which fairly belongs to the whole idea of commerce, either as an end, an agent, or an instrument, then that constitution will have failed, utterly failed to accomplish the precise, distinct, original object, in which it had its being.

In matters of trade we were no longer to be Georgians, Virginians, Pennsylvanians, or Massachusetts men. We were to have but one commerce, and that the commerce of the United States. There were not to be separate flags, waving over separate commercial systems. There was to be one flag, the *E PLURIBUS UNUM* ; and toward that was to be that rally of united interests and affections, which our fathers had so earnestly invoked.

Mr. President, this unity of commercial regulation is, in my opinion, indispensable to the safety of the union of the States. In peace it is its strongest tie. I care not, sir, on what side, or in which of its branches, this constitutional authority may be attacked. Every successful attack upon it, made any where, weakens the whole, and renders the next assault easier and more dangerous. Any denial of its just extent is an attack upon it. We attack it, most fiercely attack it, whenever we say we will not exercise the powers which it enjoins. If the Court had yielded to the pretensions of respectable States upon the subject of steam navigation, and to the retaliatory proceedings of other States ; if retreat and excuse, and disavowal of power, had been prevailing sentiments then, in what condition, at this moment, let me ask, would the steam navigation of the country be found ? To us, sir, to us, his countrymen, — to us, who feel so much admira-

tion for his genius, and so much gratitude for his services, — Fulton would have lived almost in vain. State grants and State exclusions would have covered over all our waters.

Sir, it is in the nature of such things, that the first violation, or the first departure from true principles, draws more important violations or departures after it ; and the first surrender of just authority will be followed by others more to be deplored. If commerce be a unit, to break it in any one part, is to decree its ultimate dismemberment in all. If there be made a first chasm, though it be small, through that the whole wild ocean will pour in, and we may then labor to throw up embankments in vain.

Sir, the spirit of union is particularly liable to temptation and seduction in moments of peace and prosperity. In war, this spirit is strengthened by a sense of common danger, and by a thousand recollections of ancient efforts and ancient glory in a common cause. But in the calms of a long peace, and the absence of all apparent causes of alarm, things near gain an ascendancy over things remote. Local interests and feelings overshadow national sentiments. Our attention, our regard, and our attachment, are every moment solicited to what touches us closest, and we feel less and less the attraction of a distant orb. Such tendencies we are bound by true patriotism, and by our love of union, to resist. This is our duty ; and the moment, in my judgment, has arrived when that duty is summoned to action. We hear, every day, sentiments and arguments which would become a meeting of envoys, employed by separate Governments, more than they become the common Legislature of a united country. Constant appeals are made to local interests, to geographical distinctions, and to the policy and the pride of particular States. It would sometimes appear that it was, or as if it were, a settled purpose, to convince the people that our Union is nothing but a jumble of different and discordant interests, which must, ere long, be all returned to their original state of separate existence ; as if, therefore, it was of no great value while it should last, and was not likely to last long. The process of disintegration begins, by urging, as a fact, the existence of different interests.

Sir, is not the end obvious, to which all this leads us ? Who does not see that, if convictions of this kind take possession of the public mind, our Union can hereafter be nothing, while it remains, but a connection without harmony ; a bond without affection ; a theatre for the angry contests of local feelings, local objects, and local jealousies ? Even while it continues to exist in name, it may, by these means, become nothing but the mere form of a united Government. My children, and the children of those who sit around me, may meet, perhaps, in this chamber, in the next generation ; but if tendencies, now but too obvious, be not checked, they will meet as

strangers and aliens. They will feel no sense of common interest or common country : they will cherish no common object of patriotic love. If the same Saxon language shall fall from their lips, it may be the chief proof that they belong to the same nation. Its vital principle exhausted and gone, its power of doing good terminated, now productive only of strife and contention, the Union itself must ultimately fall, dishonored and unlamented.

The honorable member from Carolina himself habitually indulges in charges of usurpation and oppression against the Government of his country. He daily denounces its important measures, in the language in which our revolutionary fathers spoke of the oppressions of the mother country. Not merely against Executive usurpation, either real or supposed, does he utter these sentiments, but against laws of Congress, laws passed by large majorities, laws sanctioned, for a course of years, by the people. These laws he proclaims, every hour, to be but a series of acts of oppression. He speaks of them as if it were an admitted fact, that such is their true character. This is the language which he utters, these the sentiments he expresses, to the rising generation around him. Are they sentiments and language which are likely to inspire our children with the love of union, to enlarge their patriotism, or to teach them, and to make them feel, that their destiny has made them common citizens of one great and glorious republic ? A principal object, in his late political movements, the gentleman himself tells us, was to *unite the entire South* ; and against whom, or against what, does he wish to unite the entire South ? Is not this the very essence of local feeling and local regard ? Is it not the acknowledgment of a wish and object to create political strength, by uniting political opinions geographically ? While the gentleman thus wishes to unite the entire South, I pray to know, sir, if he expects me to turn toward the polar-star, and, acting on the same principle, to utter a cry of Rally ! to the whole North ? Heaven forbid ! To the day of my death, neither he nor others shall hear such a cry from me.

Finally, the honorable member declares that he shall now march off, under the banner of State rights ! March off from whom ? March off from what ? We have been contending for great principles. We have been struggling to maintain the liberty and to restore the prosperity of the country ; we have made these struggles here, in the national councils, with the old flag, the true American flag, the Eagle, and the Stars and Stripes, waving over the Chamber in which we sit. He now tells us, however, that he marches off under the State-rights banner !

Let him go. I remain. I am, where I ever have been, and ever mean to be. Here, standing on the platform of the general constitution — a platform, broad enough, and firm enough, to

uphold every interest of the whole country—I shall still be found. Intrusted with some part in the administration of that constitution, I intend to act in its spirit, and in the spirit of those who framed it. Yes, sir, I would act as if our fathers, who formed it for us, and who bequeathed it to us, were looking on me—as if I could see their venerable forms, bending down to behold us from the abodes above. I would act, too, as if the eye of posterity was gazing on me.

Standing thus, as in the full gaze of our ancestors and our posterity, having received this inheritance from the former, to be transmitted to the latter, and feeling that, if I am born for any good, in my day and generation, it is for the good of the whole country, no local policy, or local feeling, no temporary impulse, shall induce me to yield my foothold on the Constitution and the Union. I move off under no banner not known to the whole American people, and to their constitution and laws. No, sir; these walls, these columns

“fly
From their firm base as soon as I.”

I came into public life, sir, in the service of the United States. On that broad altar, my earliest, and all my public vows, have been made. I propose to serve no other master. So far as depends on any agency of mine, they shall continue united States; united in interest and in affection; united in every thing in regard to which the constitution has decreed their union; united in war, for the common defence, the common renown, and the common glory; and united, compacted, knit firmly together in peace, for the common prosperity and happiness of ourselves and our children

SPEECH

IN THE SENATE OF THE UNITED STATES, IN ANSWER TO
MR. CALHOUN, MARCH 22, 1838.

On Thursday, the 22d of March, Mr. CALHOUN spoke at length in answer to Mr. WEBSTER's Speech of March 12.

When he had concluded, Mr. WEBSTER immediately rose, and addressed the Senate as follows:—

MR. PRESIDENT: I came rather late to the Senate this morning, and happening to meet a friend on the avenue, I was admonished by him to hasten my steps, as "the war was to be carried into Africa," and I was expected to be annihilated. I lost no time in following the advice, sir, since it would be awkward for one to be annihilated without knowing any thing about it.

Well, sir, the war has been brought into Africa. The honorable member has made an expedition into regions as remote from the subject of this debate as the orb of Jupiter from that of our earth. He has spoken of the tariff, of slavery, and of the late war. Of all this I do not complain. On the contrary, if it be his pleasure to allude to all, or any of these topics, for any purpose whatever, I am ready at all times to hear him.

Sir, this carrying the war into Africa, which has become so common a phrase among us, is, indeed, imitating a great example; but it is an example which is not always followed by success. In the first place, sir, every man, though he be a man of talent and genius, is not a Scipio; and in the next place, as I recollect this part of Roman and Carthaginian history,—the gentleman may be more accurate,—but as I recollect it, when Scipio resolved upon carrying the war into Africa, Hannibal was not at home. Now, sir, I am very little like Hannibal, but I am at home; and when Scipio Africanus South Carolinaensis brings the war into my territories, I shall not leave their defence to Asdrubal, nor Syphax, nor any body else. I meet him on the shore, at his landing, and propose but one contest.

*"Concurritur;
Aut cita mors, aut victoria læta."*

Mr. President, I had made up my mind that if the honorable gentleman should confine himself to a reply, in the ordinary way, I

would not say another syllable. But he has not done so. He has gone off into topics quite remote from all connection with revenue, commerce, finance, or sub-treasuries, and invites to a discussion which, however uninteresting to the public at the present moment, is too personal to be declined by me.

He says, sir, that I had undertaken to compare my political character and conduct with his. Far from it. I attempted no such thing. I compared the gentleman's political opinions at different times with one another, and expressed decided opposition to those which he now holds. And I did, certainly, advert to the general tone and drift of the gentleman's sentiments and expressions, for some years past, in their bearing on the Union, with such remarks as I thought they deserved ; but I instituted no comparison between him and myself. He may institute one, if he pleases, and when he pleases. Seeking nothing of this kind, I avoid nothing. Let it be remembered, that the gentleman began the debate, by attempting to exhibit a contrast between the present opinions and conduct of my friends and myself, and our recent opinions and conduct. Here is the first charge of inconsistency ; let the public judge, whether he has made it good. He says, sir, that on several questions I have taken different sides, at different times : let him show it. If he shows any change of opinion, I shall be called on to give a reason, and to account for it. I leave it to the country to say whether, as yet, he has shown any such thing.

But, sir, before attempting that, he has something else to say. He had prepared, it seems, to draw comparisons himself. He had intended to say something, if time had allowed, upon our respective opinions and conduct in regard to the war. If time had allowed ! Sir, time does allow — time must allow. A general remark of that kind ought not to be, cannot be, left to produce its effect, when that effect is obviously intended to be unfavorable. Why did the gentleman allude to my votes, or my opinions, respecting the war, at all, unless he had something to say ? Does he wish to leave an undefined impression that something was done, or something said, by me, not now capable of defence or justification ? something not reconcilable with true patriotism ? He means that, or nothing. And now, sir, let him bring the matter forth : let him take the responsibility of the accusation : let him state his facts. I am here to answer : I am here, this day, to answer. Now is the time, and now the hour. I think we read, sir, that one of the good spirits would not bring against the arch enemy of mankind a railing accusation ; and what is railing, but general reproach — an imputation, without fact, time, or circumstance ? Sir, I call for particulars. The gentleman knows my whole conduct well : indeed, the journals show it all, from the moment I came into Congress till the peace. If I have done, then, sir, any thing unpatriotic — any thing which, as far as

love to country goes, will not bear comparison with his, or any man's conduct — let it now be stated. Give me the fact, the time, the manner. He speaks of the war; that which we call the late war, though it is now twenty-five years since it terminated. He would leave an impression that I opposed it. How? I was not in Congress when war was declared, nor in public life, any where. I was pursuing my profession, keeping company with judges and jurors, and plaintiffs and defendants. If I had been in Congress, and had enjoyed the benefit of hearing the honorable gentleman's speeches, for all I can say, I might have concurred with him. But I was not in public life. I never had been, for a single hour; and was in no situation, therefore, to oppose or to support the declaration of war. I am speaking to the fact, sir; and if the gentleman has any fact, let us know it.

Well, sir, I came into Congress during the war. I found it waged, and raging. And what did I do here to oppose it? Look to the journals. Let the honorable gentleman tax his memory. Bring up any thing, if there be any thing to bring up — not showing error of opinion, but showing want of loyalty or fidelity to the country. I did not agree to all that was proposed, nor did the honorable member. I did not approve of every measure, nor did he.

The war had been preceded by the restrictive system, and the embargo. As a private individual, I certainly did not think well of these measures. It appeared to me the embargo annoyed ourselves as much as our enemies, while it destroyed the business, and cramped the spirits, of the people.

In this opinion I may have been right or wrong, but the gentleman was himself of the same opinion. He told us, the other day, as a proof of his independence of party, on great questions, that he differed with his friends on the subject of the embargo. He was decidedly and unalterably opposed to it. It furnishes, in his judgment, therefore, no imputation either on my patriotism, or the soundness of my political opinions, that I was opposed to it also. I mean opposed in opinion; for I was not in Congress, and had nothing to do with the act creating the embargo. And as to opposition to measures for carrying on the war, after I came into Congress, I again say, let the gentleman specify — let him lay his finger on any thing, calling for an answer, and he shall have an answer.

Mr. President, you were yourself in the House during a considerable part of this time. The honorable gentleman may make a witness of you. He may make a witness of any body else. He may be his own witness. Give us but some fact, some charge, something capable in itself either of being proved or disproved. Prove any thing, state any thing, not consistent with honorable and

patriotic conduct, and I am ready to answer it. Sir, I am glad this subject has been alluded to, in a manner which justifies me in taking public notice of it; because I am well aware that, for ten years past, infinite pains have been taken to find something, in the range of these topics, which might create prejudice against me in the country. The journals have all been pored over, and the reports ransacked, and scraps of paragraphs and half sentences have been collected, put together in the falsest manner, and then made to flare out, as if there had been some discovery. But all this failed. The next resort was to supposed correspondence. My letters were sought for, to learn if, in the confidence of private friendship, I had never said any thing which an enemy could make use of. With this view, the vicinity of my former residence has been searched, as with a lighted candle. New Hampshire has been explored, from the mouth of the Merrimack to the White Hills. In one instance a gentleman had left the State, gone five hundred miles off, and died. His papers were examined—a letter was found, and I have understood it was brought to Washington—a conclave was held to consider it, and the result was, that if there was nothing else against Mr. Webster, the matter had better be let alone. Sir, I hope to make every body of that opinion who brings against me a charge of want of patriotism. Errors of opinion can be found, doubtless, on many subjects; but as conduct flows from the feelings which animate the heart, I know that no act of my life has had its origin in the want of ardent love of country.

Sir, when I came to Congress, I found the honorable gentleman a leading member of the House of Representatives. Well, sir, in what did we differ? One of the first measures of magnitude, after I came here, was Mr. Dallas's proposition for a bank. It was a war measure. It was urged as being absolutely necessary to enable Government to carry on the war. Government wanted revenue—such a bank, it was hoped, would furnish it; and on that account it was most warmly pressed and urged on Congress. You remember all this, Mr. President. You remember how much some persons supposed the success of the war and the salvation of the country depended on carrying that measure. Yet the honorable member from South Carolina opposed this bill. He now takes to himself a good deal of merit—none too much, but still a good deal of merit, for having defeated it. Well, sir, I agreed with him. It was a mere paper bank—a mere machine for fabricating irredeemable paper. It was a new form for paper money; and instead of benefiting the country, I thought it would plunge it deeper and deeper in difficulty. I made a speech on the subject: it has often been quoted. There it is; let whoever pleases, read and examine it. I am not proud of it, for any ability it exhibits; on the other hand, I am not ashamed of it, for the spirit which

it manifests. But, sir, I say again, that the gentleman himself took the lead, against this measure — this darling measure of the Administration. I followed him; if I was seduced into error, or into unjustifiable opposition, there sits my seducer.

What, sir, were other leading sentiments, or leading measures of that day? On what other subjects did men differ? The gentleman has adverted to one, and that a most important one; I mean the navy. He says, and says truly, that at the commencement of the war the navy was unpopular. It was unpopular with his friends, who then controlled the politics of the country. But he says he differed with his friends; in this respect, he resisted party influence, and party connection, and was the friend and advocate of the navy. Sir, I commend him for it. He showed his wisdom. That gallant little navy soon fought itself into favor, and showed that no man, who had placed reliance on it, had been disappointed.

Well, sir, in all this, I was exactly of the same opinion as the honorable gentleman.

Sir, I do not know when my opinion of the importance of a naval force to the United States had its origin. I can give no date to my present sentiments on this subject, because I never entertained different sentiments. I remember, sir, that immediately after coming into my profession, at a period when the navy was most unpopular, when it was called by all sorts of hard names, and designated by many coarse epithets, on one of those occasions, on which young men address their neighbors, I ventured to put forth a boy's hand in defence of the navy. I insisted on its importance, its adaptation to our circumstances, and to our national character; and its indispensable necessity, if we intended to maintain and extend our commerce. These opinions and sentiments I brought into Congress; and, so far as I remember, it was the first, or among the first times, in which I presumed to speak on the topics of the day, that I attempted to urge on the House a greater attention to the naval service. There were divers modes of prosecuting the war. On these modes, or on the degree of attention and expense which should be bestowed on each, different men held different opinions. I confess I looked with most hope to the results of naval warfare, and therefore I invoked Government to invigorate and strengthen that arm of the national defence. I invoked it to seek its enemy upon the seas — to go where every auspicious indication pointed, and where the whole heart and soul of the country would go with it.

Sir, we were at war with the greatest maritime Power on earth. England had gained an ascendancy on the seas over the whole combined Powers of Europe. She had been at war twenty years. She had tried her fortunes on the continent, but generally with no success. At one time the whole continent had closed against

her. A long line of armed exterior, an unbroken hostile array, frowned upon her from the gulf of Archangel, round the promontory of Spain and Portugal, to the foot of the boot of Italy. There was not a port which an English ship could enter. Every where on the land the genius of her great enemy had triumphed. He had defeated armies, crushed coalitions, and overturned thrones; but, like the fabled giant, he was unconquerable only while he touched the land. On the ocean, he was powerless. That field of fame was his adversary's, and her meteor flag was streaming in triumph all over it.

To her maritime ascendancy England owed every thing, and we were now at war with her. One of the most charming of her poets had said of her, that

"Her march is o'er the mountain wave,
Her home is on the deep."

Now, sir, since we were at war with her, I was for intercepting this march; I was for calling upon her, and paying our respects to her at home; I was for giving her to know that we, too, had a right of way over the seas, and that our marine officers and our sailors were not entire strangers on the bosom of the deep; I was for doing something more with our navy, than to keep it on our shores, for the protection of our own coasts and own harbors; I was for giving play to its gallant and burning spirit; for allowing it to go forth upon the seas, and to encounter, on an open and an equal field, whatever the proudest or the bravest of the enemy could bring against it. I knew the character of its officers and the spirit of its seamen; and I knew that, in their hands, though the flag of the country might go down to the bottom, while they went with it, yet that it could never be dishonored or disgraced.

Since she was our enemy — and a most powerful enemy — I was for touching her, if we could, in the very apple of her eye; for reaching the highest feather in her cap; for clutching at the very brightest jewel in her crown. There seemed to me to be a peculiar propriety in all this, as the war was undertaken for the redress of maritime injuries alone. It was a war declared for free trade and sailors' rights. The ocean, therefore, was the proper theatre for deciding this controversy with our enemy, and on that theatre my ardent wish was, that our own power should be concentrated to the utmost.

So much, sir, for the war, and for my conduct and opinions as connected with it. And, as I do not mean to recur to this subject often, nor ever, unless indispensably necessary, I repeat the demand for any charge, any accusation, any allegation whatever, that throws me behind the honorable gentleman, or behind any other man, in honor, in fidelity, in devoted love to that country in which I was

born, which has honored me, and which I serve. I, who seldom deal in defiance, now, here, in my place, boldly defy the honorable member to put his insinuation in the form of a charge, and to support that charge by any proof whatever.

The gentleman has adverted to the subject of slavery. On this subject, he says, I have not proved myself a friend to the South. Why, sir, the only proof is, that I did not vote for his resolutions.

Sir, this is a very grave matter; it is a subject very exciting and inflammable. I take, of course, all the responsibility belonging to my opinions; but I desire these opinions to be understood, and fairly stated. If I am to be regarded as an enemy to the South, because I could not support the gentlemen's resolutions, be it so. I cannot purchase favor, from any quarter, by the sacrifice of clear and conscientious convictions. The principal resolution declared that Congress had plighted its faith not to interfere either with slavery or the slave trade in the District of Columbia.

Now, sir, this is quite a new idea. I never heard it advanced until this session. I have heard gentlemen contend, that no such power was in the constitution; but the notion, that though the constitution contained the power, yet that Congress had plighted its faith not to exercise such a power, is an entire novelty, so far as I know. I must say, sir, it appeared to me little else than an attempt to put a prohibition into the constitution, because there was none there already. For this supposed plighting of the public faith, or the faith of Congress, I saw no ground, either in the history of the Government, or in any one fact, or in any argument. I therefore could not vote for the proposition.

Sir, it is now several years since I took care to make my opinion known, that this Government has, constitutionally, nothing to do with slavery, as it exists in the States. That opinion is entirely unchanged. I stand steadily by the resolution of the House of Representatives, adopted, after much consideration, at the commencement of the Government—which was, that Congress have no authority to interfere in the emancipation of slaves, or in the treatment of them, within any of the States; it remaining with the several States alone to provide any regulations therein, which humanity and true policy may require. This, in my opinion, is the constitution, and the law. I feel bound by it. I have quoted the resolution often. It expresses the judgment of men of all parts of the country, deliberately formed, in a cool time; and it expresses my judgment, and I shall adhere to it. But this has nothing to do with the other constitutional question; that is to say, the mere constitutional question, whether Congress has the power to regulate slavery and the slave trade, in the District of Columbia.

On such a question, sir, when I am asked what the constitution is, or whether any power granted by it has been compromised

away ; or, indeed, could be compromised away — I must express my honest opinion, and always shall express it, if I say any thing, notwithstanding it may not meet concurrence either in the South, or the North, or the East, or the West. I cannot express by my vote what I do not believe.

He has chosen to bring that subject into this debate, with which it has no concern, but he may make the most of it, if he thinks he can produce unfavorable impressions on the South, from my negative to his fifth resolution. As to the rest of them, they were commonplaces, generally, or abstractions ; in regard to which, one may well not feel himself called on to vote at all.

And now, sir, in regard to the tariff. That is a long chapter, but I am quite ready to go over it with the honorable member.

He charges me with inconsistency. That may depend on deciding what inconsistency is, in respect to such subjects, and how it is to be proved. I will state the facts, for I have them in my mind somewhat more fully than the honorable member has himself presented them. Let us begin at the beginning. In 1816, I voted against the tariff law, which then passed. In 1824, I again voted against the tariff law, which was then proposed, and which passed. A majority of New England votes, in 1824, was against the tariff system. The bill received but one vote from Massachusetts ; but it passed. The policy was established ; New England acquiesced in it, conformed her business and pursuits to it ; embarked her capital, and employed her labor, in manufactures ; and I certainly admit that, from that time, I have felt bound to support interests thus called into being, and into importance, by the settled policy of the Government. I have stated this often here, and often elsewhere. The ground is defensible, and I maintain it.

As to the resolutions adopted in Boston, in 1820, and which resolutions he has caused to be read, and which he says he presumes I prepared, I have no recollection of having drawn the resolutions, and do not believe I did. But I was at the meeting, and addressed the meeting, and what I said on that occasion has been produced here, and read in the Senate years ago.

The resolutions, sir, were opposed to the commencing of a high tariff policy. I was opposed to it, and spoke against it — the city of Boston was opposed to it — the Commonwealth of Massachusetts was opposed to it. Remember, sir, that this was in 1820. This opposition continued till 1824. The votes all show this. But in 1824, the question was decided ; the Government entered upon the policy ; it invited men to embark their property and their means of living in it. Individuals have done this to a great extent ; and, therefore, I say, so long as the manufactures shall need reasonable and just protection from Government, I shall be disposed to give it to them. What is there, sir, in all this, for the gentleman

to complain of? Would he have us always oppose the policy, adopted by the country, on a great question? Would he have minorities never submit to the will of majorities?

I remember to have said, sir, at the meeting in Faneuil Hall, that protection appeared to be regarded as incidental to revenue, and that the incident could not be carried fairly above the principal: in other words, that duties ought not to be laid for the mere object of protection. I believe that was substantially correct. I believe that if the power of protection be inferred only from the revenue power, the protection could only be incidental.

But I have said in this place before, and I repeat now, that Mr. Madison's publication, after that period, and his declaration that the convention did intend to grant the power of protection, under the commercial clause, placed the subject in a new and a clear light. I will add, sir, that a paper drawn up by Dr. Franklin, and read by him to a circle of friends in Philadelphia, on the eve of the assembling of the convention, respecting the powers which the proposed new Government ought to possess, shows, perfectly plainly, that in regulating commerce, it was expected Congress would adopt a course which should protect the manufactures of the North. He certainly went into the convention himself under that conviction.

Well, sir, and now what does the gentleman make out against me in relation to the tariff? What laurels does he gather in this part of Africa? I opposed the *policy* of the tariff, until it had become the settled and established policy of the country. I have never questioned the constitutional power of Congress to grant protection, except so far as the remark goes, made in Faneuil Hall, which remark respects only the length to which protection might properly be carried, so far as the power is derived from the authority to lay duties on imports. But the policy being established, and a great part of the country having placed vast interests at stake in it, I have not disturbed it; on the contrary, I have insisted that it ought not to be disturbed. If there be inconsistency in all this, the gentleman is at liberty to blazon it forth; let him see what he can make of it.

Here, sir, I cease to speak of myself; and respectfully ask pardon of the Senate for having so long detained it, upon any thing so unimportant as what relates merely to my own public conduct and opinions.

Sir, the honorable member is pleased to suppose that our spleen is excited, because he has interfered to snatch from us a victory over the Administration. If he means by this any personal disappointment, I shall not think it worth while to make a remark upon it. If he means a disappointment at his quitting us while we were endeavoring to arrest the present policy of the Administration,

why, then, I admit, sir, that I, for one, felt that disappointment deeply. It is the policy of the Administration, its principles, and its measures, which I oppose. It is not persons, but things; not men, but measures. I do wish most fervently to put an end to this anti-commercial policy; and if the overthrow of the policy shall be followed by the political defeat of its authors, why, sir, it is a result which I shall endeavor to meet with equanimity.

Sir, as to the honorable member's rescuing the victory from us, or as to his ability to sustain the Administration in this policy, there may be a drachm of a scruple about that. I trust the citadel will yet be stormed, and carried, by the force of public opinion, and that no Hector will be able to defend its walls.

But now, sir, I must advert to a declaration of the honorable member, which, I confess, did surprise me. The honorable member says, that, personally, he and myself have been on friendly terms, but that we always differed on great constitutional questions! Sir, this is astounding. And yet I was partly prepared for it; for I sat here the other day, and held my breath, while the honorable gentleman declared and repeated, that he always belonged to the State-rights party! And he means, by what he has declared today, that he has always given to the constitution a construction more limited, better guarded, less favorable to the extension of the powers of this Government, than that which I have given to it. He has always interpreted it according to the strict doctrine of the school of State rights! Sir, if the honorable member ever belonged, until very lately, to the State-rights party, the connection was very much like a secret marriage. And never was secret better kept. Not only were the espousals not acknowledged, but all suspicion was avoided. There was no known familiarity, or even kindness between them. On the contrary, they acted like parties who were not at all fond of each other's company.

Sir, is there a man, in my hearing, among all the gentlemen now surrounding us, many of whom, of both Houses, have been here many years, and know the gentleman and myself, perfectly; is there one, who ever heard, supposed, or dreamed, that the honorable member belonged to the State-rights party before the year 1825? Can any such connection be proved upon him — can he prove it upon himself, before that time?

Sir, I will show you, before I resume my seat, that it was not until after the gentleman took his seat, in the chair which you now occupy, that any public manifestation, or intimation, was ever given by him, of his having embraced the peculiar doctrines of the State-rights party.

The truth is, sir, the honorable gentleman had acted a very important and useful part during the war. But the war terminated. Toward the close of the session of 1814-'15, we received the

news of peace. This closed the 13th Congress. In the fall of 1815, the 14th Congress assembled. It was full of ability, and the honorable gentleman stood high among its distinguished members. He remained in the House, sir, through the whole of that Congress; and now, sir, it is easy to be shown, that during those two years, the honorable gentleman took a decided lead, in all those great measures, which he has since so often denounced, as unconstitutional and oppressive — the bank, the tariff, and internal improvements. The war being terminated, the gentleman's mind turned itself toward internal administration and improvement. He surveyed the whole country, contemplated its resources, saw what it was capable of becoming, and held a political faith, not so narrow and contracted, as to restrain him from useful and efficient action. He was, therefore, at once, a full length ahead of all others, in measures, which were national, and which required a broad and liberal construction of the constitution. This is historic truth. Of his agency in the bank, and other measures connected with the currency, I have already spoken, and I do not understand him to deny any thing I have said, in that particular. Indeed, I have said nothing capable of denial.

Now allow me a few words upon the tariff. The tariff of 1816 was distinctly a South Carolina measure. Look at the votes, and you will see it. It was a tariff, for the benefit of South Carolina interests, and carried through Congress by South Carolina votes, and South Carolina influence. Even the *minimum*, sir, the so-much-reproached, the abominable *minimum*, that subject of angry indignation and wrathful rhetoric, is of Southern origin, and has a South Carolina parentage.

Sir, the contest on that occasion was, chiefly, between the cotton-growers at home, and the importers of cotton fabrics from India. These India fabrics were made from the cotton of that country. The people of this country were using cotton fabrics, not made of American cotton, and, so far, they were diminishing the demand for such cotton. The importation of India cottons was then very large, and this bill was designed to put an end to it, and, with the help of the *minimum*, it did put an end to it. The cotton manufactures of the North were then in their infancy. They had some friends in Congress, but if I recollect, the majority of Massachusetts members, and of New England members, were against this cotton tariff of 1816. I remember well, that the main debate was, between the importers of India cottons, in the North, and the cotton-growers of the South. The gentleman cannot deny the truth of this or any part of it. Boston opposed this tariff, and Salem opposed it, warmly and vigorously. But the honorable member supported it, and the law passed. And now be it always remembered, sir, that that act passed on the professed ground of

protection ; that it had in it the *minimum* principle, and that the honorable member and other leading gentlemen from his own State, supported it, voted for it, and carried it through Congress.

And now, sir, we come to the doctrine of internal improvement — that other usurpation, that other oppression, which has come so near to justifying violent abruption of the Government, and scattering the fragments of the Union to the four winds. Have the gentleman's State-rights opinions always kept him aloof from such unhallowed infringements of the constitution? He says he always differed with me on constitutional questions. How was it in this, most important, particular? Has he here stood on the ramparts, brandishing his glittering sword against assailants, and holding out a banner of defiance? Sir — sir — sir — it is an indisputable truth, that he is himself the man — the *ipse* that first brought forward, in Congress, a scheme of general internal improvement, at the expense, and under the authority of this Government. He, sir, is the very man, the *ipsissimus ipse*, who, considerately, and on a settled system, began these unconstitutional measures, if they be unconstitutional. And now for the proof.

The act incorporating the Bank of the United States was passed in April, 1816. For the privileges of the charter, the proprietors of the bank were to pay to Government a *bonus*, as it was called, of one million five hundred thousand dollars, in certain instalments. Government also took seven millions in the stock of the bank. Early in the next session of Congress — that is, in December, 1816 — the honorable member moved, in the House of Representatives, that a committee be appointed to consider the propriety of setting apart this *bonus*, and also the dividends on the stock belonging to the United States, as a permanent fund for internal improvement. The committee was appointed, and the honorable member was made its chairman. He thus originated the plan, and took the lead in its execution. Shortly afterwards, he reported a bill carrying out the objects for which the committee had been appointed. This bill provided that the dividends on the seven millions of bank stock belonging to Government, and also the whole of the *bonus*, should be permanently pledged, as a fund for constructing roads and canals ; and that this fund should be subject to such specific appropriations as Congress might thereafter make.

This was the bill ; and this was the first project ever brought forward, in Congress, for a system of internal improvements. The bill goes the whole doctrine, at a single jump. The Cumberland road, it is true, was already in progress ; and for that the gentleman had also voted. But there were, and are now, peculiarities about that particular expenditure, which sometimes satisfy scrupulous consciences ; but this bill of the gentleman's, without equivocation or saving clause — without if, or and, or but — occupied the whole

ground at once, and announced internal improvement as one of the objects of this Government, on a grand and systematic plan. The bill, sir, seemed, indeed, too strong. It was thought, by persons not esteemed extremely jealous of State rights, to evince, nevertheless, too little regard to the will of the States. Several gentlemen opposed the measure, in that shape, on that account; and among them Colonel Pickering, then one of the representatives from Massachusetts. Even Timothy Pickering could not quite sanction, nor concur in, the honorable gentleman's doctrines, to their full extent, although he favored the measure in its general character. He, therefore, prepared an amendment, as a substitute; and his substitute provided for two very important things not embraced in the original bill:—

First, that the proportion of the fund to be expended in each State, respectively, should be in proportion to the number of its inhabitants.

Second, that the money should be applied in constructing such roads, canals, &c., in the several States, as Congress might direct, *with the assent of the State.*

This, sir, was Timothy Pickering's amendment of the honorable gentleman's bill. And now, sir, how did the honorable gentleman, who has always belonged to the State-rights party, how did he treat this amendment, or this substitute? Which way, do you think, his State-rights doctrine led him? Why, sir, I will tell you. He immediately rose, and moved to strike out the words "*with the assent of the State!*" Here is the journal under my hand, sir; and here is the gentleman's motion. And certainly, sir, it will be admitted, that this motion was not of a nature to intimate that he had become wedded to State rights. But the words were not stricken out. The motion did not prevail. Mr. Pickering's substitute was adopted, and the bill passed the House in that form.

In Committee of the Whole on this bill, sir, the honorable member made a very able speech, both on the policy of internal improvements, and the power of Congress over the subject. These points were fully argued by him. He spoke of the importance of the system; the vast good it would produce, and its favorable effect on the union of the States. "Let us, then," said he, "bind the republic together, with a perfect system of roads and canals. Let us conquer space. It is thus the most distant parts of the republic will be brought within a few days' travel of the centre; it is thus that a citizen of the West will read the news of Boston still moist from the press."

But on the power of Congress to make internal improvements; ay, sir, on the power of Congress, hear him! What were then his rules of construction and interpretation? How did he at that time read and understand the constitution? Why, sir, he said that "he

was no advocate for refined arguments on the constitution. The instrument was not intended as a thesis for the logician to exercise his ingenuity on. It ought to be construed with plain good sense." This is all very just, I think, sir; and he said much more. He quoted many instances of laws, passed, as he contended, on similar principles, and then added, that "he introduced these instances to prove the uniform sense of Congress, and of the country, (for they had not been objected to,) as to our powers; and surely," said he, "they furnish better evidence of the true interpretation of the constitution, than the most refined and subtile arguments."

Here you see, Mr. President, how little original I am. You have heard me, again and again, contending in my place here for the stability of that which has been long settled; you have heard me, till I dare say you have been tired, insisting that the sense of Congress, so often expressed, and the sense of the country, so fully known, and so firmly established, ought to be regarded as having decided, finally, certain constitutional questions. You see now, sir, what authority I have for this mode of argument. But while the scholar is learning, the teacher renounces. Will he apply his old doctrine, now — I sincerely wish he would — to the question of the bank, to the question of the receiving of bank notes by Government, to the power of Congress over the paper currency? Will he, sir, will he admit that these ought to be regarded as decided, by the settled sense of Congress and of the country? Oh! no. Far otherwise. From these rules of judgment, and from the influence of all considerations of this practical nature, the honorable member now takes these questions with him into the upper heights of metaphysics, into the regions of those refinements, and subtile arguments, which he rejected, with so much decision, in 1817, as appears by this speech. He quits his old ground of common sense, experience, and the general understanding of the country, for a flight among theories and ethereal abstractions.

And now, sir, let me ask, when did the honorable member relinquish these early opinions and principles of his? When did he make known his adhesion to the doctrines of the State-rights party? We have been speaking of transactions in 1816 and 1817. What the gentleman's opinions then were, we have seen. But when did he announce himself a State-rights man? I have already said, sir, that nobody knew of his claiming that character until after the commencement of 1825; and I have said so, because I have before me an address of his to his neighbors at Abbeville, in May of that year, in which he recounts, very properly, the principal incidents in his career, as a member of Congress, and as head of a Department; and in which he says that, as a member of Congress, he had given his zealous efforts in favor of a restoration of specie currency; of a due protection of those manufactures which had taken root during

the war, and, finally, of a system for connecting the various parts of the country by a judicious system of internal improvement.

And he adds, that it afterwards became his duty, as a member of the Administration, to aid in sustaining, against the boldest assaults, those very measures, which, as a member of Congress, he had contributed to establish.

And now, sir, since the honorable gentleman says he differed from me on constitutional questions, will he be pleased to say what constitutional opinion I have ever expressed, for which I have not his express authority? Is it on the bank power? the tariff power? the power of internal improvement? I have shown his votes, his speeches, and his conduct, on all these subjects, up to the time when General Jackson became a candidate for the Presidency. From that time, sir, I know we have differed; but if there was any difference before that time, I call upon him to point it out — what was the occasion, what the question, and what the difference? And if, before that period, sir, by any speech, any vote, any public proceeding, or by any other mode of announcement whatever, he gave the world to know that he belonged to the State-rights party, I hope he will now be kind enough to produce it, or to refer to it, or to tell us where we may look for it.

Sir, I will pursue this topic no farther. I would not have pursued it so far — I would not have entered upon it at all — had it not been for the astonishment I felt, mingled, I confess, with something of warmer feeling, when the honorable gentleman declared that he had always differed from me on constitutional questions.

Sir, the honorable member read a quotation or two from a speech of mine in 1816, on the currency or bank question. With what intent, or to what end? What inconsistency does he show? Speaking of the *legal* currency of the country, that is, the coin, I then said it was in a good state. Was not that true? I was speaking of the legal currency; of that which the law made a tender. And how is that inconsistent with any thing said by me now, or ever said by me?

I declared then, he says, that the framers of this Government were hard-money men. Certainly they were. But are not the friends of a convertible paper *hard-money men*, in every practical and sensible meaning of the term? Did I, in that speech, or any other, insist on excluding all convertible paper from the uses of society? Most assuredly I did not. I never quite so far lost my wits, I think. There is but a single sentence in that speech which I should qualify if I were to deliver it again — and that the honorable member has not noticed. It is a paragraph respecting the power of Congress over the circulation of State banks, which might perhaps need explanation or correction. Understanding it as applicable to the case then before Congress, all the rest is perfectly

accordant with my present opinions. It is well known that I never doubted the power of Congress to create a bank ; that I was always in favor of a bank, constituted on proper principles ; that I voted for the bank bill of 1815 ; and that I opposed that of 1816 only on account of one or two of its provisions, which I and others hoped to be able to strike out. I am a hard-money man, and always have been, and always shall be. But I know the great use of such bank paper as is convertible into hard money, on demand ; which may be called specie paper, and which is equivalent to specie in value, and much more convenient and useful for common purposes.

On the other hand, I abhor all irredeemable paper ; all old-fashioned paper money ; all deceptive promises ; every thing, indeed, in the shape of paper issued for circulation, whether by Government or individuals, which may not be turned into gold and silver at the will of the holder.

But, sir, I have insisted that Government is bound to protect and regulate the means of commerce, to see that there is a sound currency for the use of the people.

The honorable gentleman asks, What then is the limit ? Must Congress also furnish all means of commerce ? Must it furnish weights and scales and steelyards ? Most undoubtedly, sir, it must regulate weights and measures, and it does so. But the answer to the general question is very obvious. Government must furnish all that which none but Government can furnish. Government must do that for individuals which individuals cannot do for themselves. That is the very end of Government. Why else have we a Government ? And can individuals make a currency ? Can individuals regulate money ? The distinction is as broad and plain as the Pennsylvania avenue. No man can mistake it, or well blunder out of it. The gentleman asks if Government must furnish for the people ships, and boats, and wagons. Certainly not. The gentleman here only recites the President's message of September. These things, and all such things, the people can furnish for themselves ; but they cannot make a currency ; they cannot, individually, decide what shall be the money of the country. That, every body knows, is one of the prerogatives, and one of the duties, of Government ; and a duty which I think we are most unwisely and improperly neglecting. We may as well leave the people to make war and to make peace, each man for himself, as to leave to individuals the regulation of commerce and currency.

Mr. President, there are other remarks of the gentleman of which I might take notice. But, should I do so, I could only repeat what I have already said, either now or heretofore. I shall, therefore, not now allude to them.

My principal purpose, in what I have said, has been, first, to defend myself—that was my first object ; and next, as the hon-

orable member has attempted to take to himself the character of a strict constructionist, and a State-rights man, and on that basis to show a difference, not favorable to me, between his constitutional opinions and my own, heretofore, it has been my intention to show that the power to create a bank, the power to regulate the currency by other and direct means, the power to lay a protecting tariff, and the power of internal improvement, in its broadest sense, are all powers which the honorable gentleman himself has supported, has acted on, and in the exercise of which, indeed, he has taken a distinguished lead in the councils of Congress.

If this has been done, my purpose is answered. I do not wish to prolong the discussion, nor to spin it out into a colloquy. If the honorable member has any thing new to bring forward; if he has any charge to make—any proof, or any specification; if he has any thing to advance against my opinions or my conduct, my honor or patriotism, I am still at home. I am here. If not, then, so far as I am concerned, this discussion will here terminate.

I will say a few words, before I resume my seat, on the motion now pending. That motion is, to strike out the specie-paying part of the bill. I have a suspicion, sir, that the motion will prevail. If it should, it will leave a great vacuum; and how shall that vacuum be filled?

The part proposed to be struck out, is that which requires all debts to Government to be paid in specie. It makes a good provision for Government, and for public men, through all classes. The Secretary of the Treasury, in his letter, at the last session, was still more watchful of the interests of the holders of office. He assured us, bad as the times were, and notwithstanding the floods of bad paper which deluged the country, members of Congress should get gold and silver.

In my opinion, sir, this is beginning the use of good money, in payments, at the wrong end of the list. If there be bad money in the country, I think that Secretaries and other executive officers, and especially members of Congress, should be the last to receive any good money; because they have the power, if they will do their duty, and exercise the power, of making the money of the country good for all. I think, sir, it was a leading feature in Mr. Burke's famous bill for economical reform, that he provided, first of all, for those who are least able to secure themselves. Every body else was to be well paid all they were entitled to, before the ministers of the Crown, and other political characters, should have any thing. This seems to me very right. But we have a precedent, sir, in our own country, more directly to the purpose; and as that which we now hope to strike out is the part of the bill furnished, or proposed originally by the honorable member from South Carolina, it will naturally devolve on him to supply its place. I

wish therefore to draw his particular attention to this precedent, which I am now about to produce.

Most members of the Senate will remember, that, before the establishment of this Government, and before, or about the time, that the territory which now constitutes the State of Tennessee was ceded to Congress, the inhabitants of the eastern part of that territory established a government for themselves, and called it the State of Franklin. They adopted a very good constitution, divided into the usual branches of legislative, executive, and judicial power. They laid and collected taxes, and performed other usual acts of legislation. They had, for the present, it is true, no maritime possessions, yet they followed the common forms in constituting high officers ; and their governor was not only captain-general and commander-in-chief, but admiral also, so that the navy might have a commander when there should be a navy.

Well, sir, the currency in this State of Franklin became very much deranged. Specie was scarce, and equally scarce were the notes of specie-paying banks. But the legislature did not propose any divorce of government and people ; they did not seek to establish two currencies, one for men in office, and one for the rest of the community. They were content with neighbor's fare. It became necessary to pass what we should call, now-a-days, the civil-list appropriation-bill. They passed such a bill ; and when we shall have made a void in the bill now before us, by striking out specie payments, for Government, I recommend to its friends to fill the gap, by inserting, if not the same provisions as were in the law of the State of Franklin, at least something in the same spirit.

The preamble of that law, sir, begins by reciting, that the collection of taxes, in specie, had become very oppressive to the good people of the commonwealth, for the want of a circulating medium. A parallel case to ours, sir, exactly. It recites further, sir, that it is the duty of the legislature to hear, at all times, the prayer of their constituents, and apply as speedy a remedy as lies in their power. These sentiments are very just, sir, and I sincerely wish there was a thorough disposition here, to adopt the like.

Acting under the influence of these sound opinions, sir, the legislature of Franklin passed a law, for the support of the civil list, which, as it is short, I will beg permission to read.

"Be it enacted by the General Assembly of the State of Franklin, and it is hereby enacted by the authority of the same, That, from the first day of January, A. D. 1789, the salaries of the civil officers of this commonwealth be as follow, to wit.

"His excellency the governor, per annum, one thousand deer-skins ; his honor, the chief justice, five hundred do. do ; the attorney general, five hundred do. do. ; secretary to his excellency the gov-

ernor, five hundred raccoon do. ; the treasurer of the State, four hundred and fifty otter do. ; each county clerk, three hundred beaver do. ; clerk of the house of commons, two hundred raccoon do. ; members of assembly, *per diem*, three do. do. ; justice's fee for signing a warrant, one muskrat do. ; to the constable, for serving a warrant, one *mink* do.

" Enacted into a law this 18th day of October, 1788, under the great seal of the State.

" Witness his excellency, &c.

" Governor, captain-general, commander-in-chief,
and admiral in and over said State."

This, sir, is the law, the spirit of which I commend to gentlemen. I will not speak of the *appropriateness* of these several allowances for the civil list. But the example is good, and I am of opinion, that until Congress shall perform its duty, by seeing that the country enjoys a good currency, the same medium which the people are obliged to use, whether it be skins or rags, is good enough for its own members.

S P E E C H

AT FANEUIL HALL, JULY 24, 1838.

ON the return of Mr. WEBSTER from the session in which he had signalized himself by the delivery of the two masterly speeches next preceding this, a large number of his fellow-citizens of Boston could not be restrained from manifesting their sense of his extraordinary efforts, in exhibiting the true character of the odious sub-Treasury project, and in procuring its ultimate rejection by Congress. A public dinner was accordingly offered him, and was accepted. More than fifteen hundred persons attended it, every ticket having been eagerly taken as soon as issued. Faneuil Hall could hold no more. Governor EVERETT presided at the tables, and the spirit of the occasion cannot be better conveyed than by inserting the brilliant and beautiful remarks with which he introduced Mr. WEBSTER to the assembly :—

“And now, fellow-citizens,” said he, “I rise to discharge the most pleasing part of my duty, which I fear you will think I have too long postponed; the duty which devolves on me, as the organ of your feelings toward our distinguished guest, the senior Senator of the Commonwealth. And yet, fellow-citizens, I appeal to you, that I have approached this duty, through the succession of ideas which most naturally conducts our minds and hearts to the grateful topic. I have proposed to you, our Country and its Prosperity. Who among the great men, his contemporaries, has more widely surveyed and comprehended the various interests of all its parts? I have proposed, the Union of the States. What public man is there living, whose political course has been more steadily consecrated to its perpetuity? I have proposed to you, the Constitution. And who of our statesmen, from the time of the framers, has more profoundly investigated, more clearly expounded, more powerfully vindicated and sustained it? But these topics I may pass over. They are matters which have been long familiar to you; they need not any comment from me.

“The events of the last year, and of the last session of Congress, and the present state of the country, invite our attention more particularly to the recent efforts of our distinguished guest on the subject of THE CURRENCY. I know not but some persons may think that undue importance has been attached to the questions which have divided parties on this subject; that these questions are not so vital to liberty as they have been represented. But such an opinion would be erroneous. Undoubtedly there are countries—not free ones—in which money questions, as connected with the government, are of minor consequence. In China, in Turkey, in Persia, I presume they are very little discussed. In these countries, the great question is, whether a man’s head, at night, will be found in the same pleasing and convenient proximity to his shoulders, that it was in the morning; and this is a kind of previous question, which, if decided against him, cuts off all others. Under those arbitrary governments of Europe where the prince takes what he pleases, and when he pleases, it is of very little moment where he deposits

it, on its way from the pockets of the people to his own. But it was remarked by Edmund Burke, more than seventy years ago, that in England, (and *a fortiori* in the United States, that is, under constitutional governments,) the great struggles for liberty had been almost always money questions, and on this ground he excused the Americans for the stand they took in opposition to a paltry tax. But, most certainly, the money question, as it has been agitated among us, is vastly more important, more intimately connected with constitutional liberty, than that which brought on the revolution. The question with our fathers was one of a small tax, ours of the entire currency. Theirs concerned three pence per pound on tea, illegally levied; ours, the entire currency illegally disposed of — the entire medium of circulation deranged, and for a period annihilated — the whole business of the country, in all its great branches, brought under the control of the Treasury. The noble stand, therefore, taken by our distinguished Senator in this controversy, has been upon points which concern the dearest interests of the people, and the elemental principles of the government.

"In fact, I know not that a policy can be imagined more at war with the true character of the Government, than that which he has been called to combat. The past and present Administrations, relying too confidently on the popular delusions which brought them into office, have systematically defeated one of the great original objects for which the Union was framed — that of a uniform medium of Commerce. Nor has the manner of their policy been less objectionable than its design. They have crowded experiment upon experiment, with the fatal recklessness of the rash engineer who urges the fires in his furnaces till some noble steamer bursts in an awful explosion. Our Senators and Representatives, and their associates, could they have forgotten that a revered Constitution and a beloved Country were the chief victims, might well have folded their arms, and left the authors of the calamity to extricate themselves, as best they might, from the ruin. But not thus have they understood their duty; and we have seen them with admiration, in the last days of the session, gallantly putting out in the life-boat of the Constitution, with an eye of fire at the top, and an arm of iron at the helm, to cruise about on the boiling waters, and pick up all that is left undestroyed. When I have seen the adherents of the Administration rejecting, so far as they ventured, the salutary measures proposed or supported by our distinguished guest and his associates, for the restoration of the currency and the reestablishment of the public credit, and clinging to all that events have spared of their discredited measures, they have seemed to me to resemble the sun-stricken victims of a moody madness, who, instead of thankfully embracing the proffered relief, would prefer to float about on the weltering waters, clinging to the broken planks, the shivered splinters, of their exploded policy — sure as they are, at the very best, if they reach solid ground, to do so beneath the overwhelming surge of popular indignation.

"I should take up a great deal more time than belongs to me, did I attempt even to sketch the distinguished services of our friend and guest, in this constitutional warfare. They are impressed on your memories, on your hearts. In the thickest of the conflict, his plume, like that of Henry the Fourth of France, discerned from afar, has pointed out the spot where, to use his own language, "the blows fall thickest and hardest;" and there he has been found, with the banner of the Union above his head, and the flaming cimeter of the Constitution in his hand. If the public mind has been thoroughly awakened to the inconsistency of the government policy with the genius of our institutions, if to the experience we have all had of the pernicious operation of this policy, there has been added a clear understanding of the false principles, as well of constitutional law as of political economy on which it rests, how much of this is not fairly to be ascribed to the efforts of our distinguished guest — efforts never stinted in or out of Congress — repeated

in every form which can persuade the judgment or influence the conduct of men — never less than cogent, eloquent, irrefutable; but in the last session of Congress, perhaps more than ever before, grand, masterly, and overwhelming. It has indeed been a rare, I had almost said a sublime spectacle, to see him, unsupported by a majority in either House — opposed by the entire influence of the government — denounced, by the Administration press, from one end of the Union to the other, yet carrying resolution after resolution against the administration — carrying them alike against the old guard and the new recruits, and in spite of their abrupt and ill-compacted alliance — compelling them, in spite of themselves, to afford some relief to the country.

"These are the services, fellow-citizens, for which you this day tender your thanks to your distinguished guest. These are the services for which, sir, on behalf of my fellow-citizens, I thank you; for which they thank you themselves. Behold, sir, how they rise to pay you a manly homage. The armies of Napoleon could not coerce it, the wealth of the Indies could not buy it; but it is freely, joyously paid, by fifteen hundred freemen, to the man of their affections. They thank you for having stood by them in these dark times — at all times. They thank you, because they think they are beginning to feel the fruit of your exertions, in the daily round of their pursuits. They ascribe it in no small degree to you, that the iron grasp of the government policy has been relaxed; that its bolts and chains, relics of a barbarous age, have been shivered as soon as forged, and before they were riveted on the necks of the people. They thank you for having stood by the Constitution, in which their all of human hope for themselves and their children is enshrined. They thank you as one of themselves; and because they know that your affections are with the people from which you sprung. They thank you because you have at all times shown, that, as the Whig blood of the revolution circles in your veins, the Whig principles of the revolution are imprinted on your heart. They thank you for the entire manliness of your course; that you have never joined the treacherous cry of "the hatred of the poor against the rich" — a cry raised by artful men, who think to flatter the people, while in reality they are waging war against the people's business, the people's prosperity, and the people's Constitution. They are willing that this day's offering should be remembered, when all this mighty multitude shall have passed from the stage. When that day shall have arrived, History will have written your name on one of her brightest pages; Fame will have encircled your bust with her greenest laurels; but neither History nor Fame will have paid you a truer, heartier tribute, than that which now, beneath the arches of this venerable hall, in the approving presence of these images of our canonized fathers, is now tendered you by this great company of your fellow-citizens.

"I give you, gentlemen,

"DANIEL WEBSTER—The Statesman and the Man; whose name is engraven alike on the pillars of the Constitution and the hearts of his fellow-citizens. He is worthy of that place in the Councils of the Nation, which he fills in the affections of the People."

Mr. WEBSTER then rose, amid repeated cheerings, and addressed the meeting nearly as follows:—

GENTLEMEN: I shall be happy indeed if the state of my health and the condition of my voice shall enable me to express, in a few words, my deep and heartfelt gratitude for this expression of your approbation. If public life has its cares and its trials, it has occasionally its consolations also. Among these, one of the

greatest, and the chief, is the approbation of those whom we have honestly endeavored to serve. This cup of consolation you have now administered — full — crowned — abundantly overflowing.

It is my chief desire at this time, in a few spontaneous and affectionate words, to render you the thanks of a grateful heart. When I lately received your invitation in New York, nothing was farther from my thoughts or expectations, than that I should meet such an assembly as I now behold in Boston.

But I was willing to believe that it was not meant merely as a compliment, which it was expected would be declined, but that it was in truth your wish, at the close of the labors of a long session of Congress, that I should meet you in this place, that we might mingle our mutual congratulations, and that we might enjoy together one happy, social hour.

The President of this assembly has spoken of the late session as having been not only long, but arduous ; and, in some respects, it does deserve to be so regarded. I may indeed say that, in an experience of twenty years of public life, I have never yet encountered labors or anxieties such as this session brought with it.

With a short intermission in the autumn, — so short as not to allow the more distant members to visit their homes, we have been in continual session from the early part of September to the ninth of July — a period of ten months. And on our part, during this whole time, we have been contending in minorities against majorities ; majorities, indeed, not to be relied on, for all measures, as the event has proved ; but still acknowledged and avowed majorities, professing general attachment and support to the measures, and to the men, of the Administration. My own object, and that of those with whom I have had the honor to act, has been steady and uniform. That object was, to resist new theories, new schemes, new and dangerous projects, until time could be gained for their consideration by the people. This was our great purpose, and its accomplishment required no slight effort. It was the commencement of a new Congress. The organization of the two Houses showed clear and decisive Administration majorities. The Administration itself was new, and had come into its fresh power, with something of the popularity of that which preceded it. It was no child's play, therefore, to resist, successfully, its leading measures, for so long a period as should allow time for an effectual appeal to the people, pressed, as those measures were, with the utmost zeal and assiduity.

The President of the day has alluded, in a very flattering manner, to my own exertions and efforts, made at different times, in connection with the leading topics. But I claim no particular merits for myself. In what I have done, I have only acted with others. I have acted, especially, with my most estimable, able, and excellent colleague, and with the experienced and distinguished men

to form the Delegation of Massachusetts in the House of Representatives — a Delegation of which any State might be justly proud. We have acted together, as men holding, in almost all cases, common opinions, and laboring for a common end. It gives me great pleasure to have the honor of seeing so many of the Representatives of the State in Congress here to-day ; but I must not be prevented, even by their presence, from bearing my humble but hearty testimony to the fidelity and ability with which they have, in this arduous struggle, performed their public duties. The crisis has, indeed, demanded the efforts of all ; and we of Massachusetts, while we hope we have done our duty, have done it only in concurrence with other Whigs, whose zeal, ability, and exertions, can never be too much commended.

This is not an occasion in which it is fit or practicable to discuss, very minutely, and at length, the questions which have been chiefly agitated during this long and laborious session of Congress. Yet, so important is the great and general question, which, for the last twelve or fifteen months, has been presented to the consideration of the Legislature, that I deem it proper, on this, and on all occasions, to state, at the risk of some repetition, perhaps, what is the nature of that important question, and briefly to advert to some of the circumstances in which it had its origin.

Whatever subordinate questions may have been raised touching a sub-Treasury, or a Constitutional Treasury, or a Treasury in one, or in another, or in yet a third form, I take the question, the plain, the paramount, the practical question, to be this, viz.: whether it be among the powers and the duties of Congress to take any further care of the national currency than to regulate the coinage of gold and silver.

That question lies at the foundation of all. Other questions, however multiplied or varied, have but grown out of that.

If Government is bound to take care that there is a good currency, for all the Country, then, of course, it will have a good currency for itself, and need take no especial pains to provide for itself any thing peculiar. But if, on the other hand, Government is at liberty to abandon the general currency to its fate, without concern, and without remorse, then, from necessity, it must take care of itself ; amidst the general wreck of currency and credit, it must have places of resort and a system of shelter ; it must have a currency of its own, and modes of payment and disbursement peculiar to itself. It must burrow and hide itself in sub-Treasury vaults : scorning credit, and having trust in nobody, it must grasp metallic money, and act as if nothing represented, or could represent, property, which could not be counted, paid piece by piece, or weighed in the scales, and made to ring upon the table ; or it must resort to Special Deposits in Banks, even in those Banks whose conduct has

been so loudly denounced as flagitious and criminal, treacherous to the Government, and fraudulent towards the People. All these schemes and contrivances are but the consequences of the general doctrine which the Administration has advanced, and attempted to recommend to the Country; that is, that Congress has nothing to do with the currency, beyond the mere matter of coinage, except to provide for itself. How such a notion should come to be entertained, at this day, may well be a matter of wonder for the wise; since it is a truth capable of the clearest demonstration, that from the first day of the existence of the Constitution, from the moment when a practical Administration of Government drew a first breath under its provisions, the superintendence and care over the currency of the country have been admitted to be among the clear and unquestioned powers and duties of Congress. This was the opinion in Washington's time, and his administration acted upon it, vigorously and successfully. And in Mr. Madison's time, when the peculiar circumstances of the Country again brought up the subject, and gave it new importance, it was held to be the exclusive, or at least the paramount and unquestioned right of Congress to take care of the currency; to restore it when depreciated; to see that there was a sound, convertible paper circulation, suited to the circumstances of the country, and having equal value, and the same credit, in all parts of it. This was Mr. Madison's judgment. He acted upon it; and both Houses of Congress concurred with him. But if we now quote Mr. Madison's sentiments, we get no reply at all. We may read his Messages of 1815 and 1816 as often as we please. No man answers them, and yet the party of the Administration acts upon directly opposite principles.

Now, what has brought about this state of things? What has caused this attempt, now made, at the end of half a century, to change a great principle of administration, and to surrender a most important power of the Government? Gentlemen, it has been a crisis of party, not of the Country, which has given birth to these new sentiments. The tortuous windings of party policy have conducted us, and nothing else could well have conducted us, to such a point. Nothing but party pledges, nothing but courses of political conduct, entered upon for party purposes, and pursued, from necessary regard to personal and party consistency, could so far have pushed the Government out of its clear and well-trodden path of Constitutional duty. From General Washington's Presidency to the last hour of the late President's, both the Government and the Country have supposed Congress to be clothed with the general duty of protecting the currency, either as an inference from the coinage power, or from the obvious and incontestable truth, that the regulation of the currency is naturally and plainly a branch of the commercial power. General Jackson himself was behind no one

of his predecessors in asserting this power, and in acknowledging the corresponding duty. We all know that his very first complaint against the late Bank of the United States was, that it had not fulfilled the expectation of the Country, by furnishing for the use of the People a sound and uniform currency. There were many persons, certainly, who did not agree with him in his opinions respecting the Bank and the effects of its agency on the country ; but it was expressly on the ground of this alleged failure of the Bank, that he undertook what was called the great reform. There are those, again, who think that, of this attempted reform, he made a very poor and sorry business ; but still the truth is, that he undertook this reform, for the very professed and avowed purpose, that he might fulfil better than it had been yet fulfilled, the duty of Government in furnishing the people with a good currency. The President thought that the currency, in 1832 and 1833, was not good enough ; that the People had a right to expect a better ; and to meet this expectation, he began, what he himself called his Experiment. He said the currency was not so sound, and so uniform, as it was the duty of Government to make it ; and he therefore undertook to give us a currency more sound and more uniform. And now, Gentlemen, let us recur, shortly, to what followed ; for there we shall find the origin of the present Constitutional notions and dogmas. Let us see what has changed the Constitution, in this particular.

In 1833, the public Deposits were removed, by an act of the President himself, from the Bank of the United States, and placed in certain State Banks, under regulations prescribed by the Executive alone. This was the Experiment. The utmost confidence, indeed, — an arrogant and intolerant confidence, — was entertained and expressed of its success ; and all were regarded as blind bigots to a National Bank, who doubted. And when the Experiment was put into operation, it was proclaimed that its success was found to be complete. Down to the very close of General Jackson's Administration, we heard of nothing but the wonderful success of the Experiment. It was declared, from the highest official sources, that the State Banks, used as Banks of Deposit, had not only shown themselves perfectly competent to fulfil the duties of fiscal agents to Government, but also that they had sustained the currency, and facilitated the great business of internal Exchanges, with the most singular and gratifying success, and better than the same thing had been done before. In all this glow and fervor of self-commendation, the late Administration went out of office, having bequeathed the Experiment, with all its blushing honors and rising glories, to its successor. But a frost, a nipping frost, was at hand. Two months after General Jackson had retired, the banks suspended specie payments, Deposit Banks and all ; a universal embarrassment smote

down the business and industry of the Country ; the Treasury was left without a dollar, and the brilliant glory of the Experiment disappeared in gloom and thick darkness ! And now, Gentlemen, came the change of sentiments ; now came the new reading of the Constitution. A National Bank had already been declared by the party to be unconstitutional, the State Bank system had failed, and what more could be done ? What other plan was to be devised ? How could the duty of Government over the currency be now performed ? The Administration had decried a National Bank, and it now felt bound to denounce all State institutions ; and what, therefore, could it do ? The whole party had laid out its entire strength, in an effort to render the late Bank of the United States, and any Bank of the United States, unpopular and odious. It had pronounced all such institutions to be dangerous, anti-republican, and monarchical. It had, especially, declared a National Bank to be plainly and clearly unconstitutional. Now, Gentlemen, I have nothing to say of the diffidence and modesty of men, who, without hesitation or blushing, set up their own favorite opinions, on a question of this kind, against the judgment of the Government and the judgment of the Country, maintained for fifty years. I will only remark, that if we were to find men acting thus, in their own affairs, if we should find them disposing of their own interests, or making arrangements for their own property, in contempt of rules which they knew the Legislative and the Judicial authorities had all sanctioned for half a century, we should be very likely to think them out of their heads. Yet this ground had been taken against the late Bank, and against all National Banks ; and it could not be surrendered without apparent and gross inconsistency. What, then, I ask again, was the Administration to do ? You may say, it should have retracted its error, it should have seen the necessity of a National Institution, and yielded to the general judgment of the Country.

But that would have required an effort of candor and magnanimity, of which all men are not capable. Besides, there were open, solemn, public pledges in the way. This commitment of the party against a National Bank, and the disastrous results of its Experiment on the State Institutions, brought the party into the dilemma, from which it seemed to have no escape, but in shifting off, altogether, the duty of taking care of the currency. I was at Wheeling, in Virginia, in May of last year, when the Banks suspended payment ; and at the risk of some imputation of bad taste, I will refer to observations of mine, made then, to the citizens of that town, and published, in regard to the questions which that event would necessarily bring before the Country. I saw, at once, that we were at the commencement of a new era, and that a controversy must arise, which would greatly excite the community.

No sooner had the State Banks suspended, and among the rest those which were depositories of the Government, than a cry of fraud and treachery was raised against them, with no better reason, perhaps, than existed for that loud, and boisterous, and boastful confidence, with which the late Administration had spoken of their capacity of usefulness, and had assured the Country that its Experiment could not fail. But whether the suspension by the Banks was a matter of necessity with them, or not, the Administration, after it had happened, seeing itself now shut out from the use of all Banks, by its own declared opinions, and the results of its own policy, and seeing no means at hand for making another attempt at reforming the currency, turned a short corner, and in all due form abandoned the whole duty. From the time of the Veto to the Bank Charter, in 1832, the Administration had been like a man who had voluntarily abandoned a safe bottom, on deep waters, and, having in vain sought to support himself by laying hold on one and another piece of floating timber, chooses rather to go down, than to seek safety in returning to what he has abandoned.

Seeing that it had deprived itself of the common means of regulating the currency, it now denied its obligation to do so; declared it had nothing to do with the currency beyond coinage; that it would take care of the revenues of Government, and, as for the rest, the People must look out for themselves. This decision thus evidently grew out of party necessity. Having deprived themselves of the ordinary and Constitutional means of performing their duty, they sought to avoid the responsibility by declaring that there was no such duty to perform. They have looked further into the Constitution, and examined it by daylight and by moonlight, and cannot find any such duty or obligation. Though General Jackson saw it, very plainly, during the whole course of his Presidency, it has now vanished, and the new Commentators can nowhere discern a vestige of it. The present Administration, indeed, stood pledged to tread in the steps of its predecessor; but here was one foot-print which it could not, or would not, occupy, or one stride too long for it to take. The Message, I had almost said the fatal Message, communicated to Congress in September, contained a formal disavowal, by the Administration, of all power under the Constitution to regulate the general actual currency of the Country.

The President says, in that Message, that if he refrains from suggesting to Congress any specific plan for regulating the exchanges, relieving mercantile embarrassments, or interfering with the ordinary operations of foreign or domestic Commerce, it is from the conviction that such measures are not within the Constitutional provision of Government.

How this could all be said, when the Constitution expressly gives to Congress the power to regulate Commerce, both foreign and do-

mestic, I cannot conceive. But the Constitution was not to be trifled with, and the People are not to be trifled with. The Country, I believe, by a great majority, is of opinion that this duty *does belong* to Government, and ought to be exercised. All the new Expounders have not been able to erase this general power over Commerce, and all that belongs to Commerce. Their fate, in this respect, is like that of him in ancient story. While endeavoring to tear up, and rend asunder the Constitution, its strong fibres have recoiled, and caught them in the cleft. They experience

"Milo's fearful end—
Wedged in the timber which they strove to rend."

Gentlemen, this Constitutional power can never be surrendered. We may as well give up the whole Commercial power at once, and throw every thing connected with it back upon the States. If Congress surrender the power, to whom shall it pass, or where shall it be lodged? Shall it be left to six-and-twenty different Legislatures? To eight hundred or a thousand unconnected Banks? No, Gentlemen, to allow that authority to be surrendered, would be to abandon the vessel of State, without pilot or helm, and to suffer her to roll, darkling, down the current of her fate.

For the sake of avoiding all misapprehensions, on this most important subject, I wish to state my own opinion, clearly, and in few words. I have never said, that it is an indispensable duty, in Congress, under all circumstances, to establish a National Bank. No such duty, certainly, is created by the Constitution, in express terms. I do not say *what particular measures* are enjoined by the Constitution, in this respect. Congress has its discretion, and is left to its own judgment, as to the means most proper to be employed. But I say the general duty does exist.

I maintain that Congress is bound to take care, by some proper means, to secure a good currency for the People; and that, while this duty remains unperformed, one great object of the Constitution is not attained. If we are to have as many different currencies as there are States, and these currencies are to be liable to perpetual fluctuation, it would be folly to say that we had reached that security and uniformity in Commercial regulation, which we know it was the purpose of the Constitution to establish.

The Banks may all resume to-morrow — I hope they will; but how much will this resumption accomplish? It will doubtless afford good local currencies; but will it give the Country any proper and safe paper currency, of equal and universal value? Certainly it cannot, and will not. Will it bring back, for any length of time, exchanges to the state they were in, when there was a National Currency in existence? Certainly, in my opinion, it will not. We

may heap gold bags upon gold bags, we may create what securities, in the constitution of local Banks, we please, but we cannot give to any such Bank a character that shall insure the receipts of its notes, with equal readiness, every where throughout the valley of the Mississippi, and from the shores of the Gulf of Mexico to the St. Lawrence. Nothing can accomplish this, but an institution which is National in its character. The People desire to see, in their currency, the marks of this nationality. They like to see the spread Eagle, and where they see that they have confidence.

Who, if he will look at the present state of things, is not wise enough to see, that there is much and deep cause for fear, in regard to the future, unless the Government will take the subject of currency under its own control, as it ought to do. For one, I think I see trouble ahead, and I look for effectual prevention and remedy only to a just exercise of the powers of Congress. I look not without apprehension upon the creation of numerous and powerful State Institutions, full of competition and rivalry, and under no common control. I look for other and often-repeated expansions of paper circulation, inflations of trade, and general excess; and then, again, for other violent ebbings of the swollen flood, ending in other suspensions. I see no steadiness, no security, till the Government of the United States shall fulfil its constitutional duty. I shall be disappointed, certainly, if, for any length of time, the benefits of a sound and uniform convertible paper currency can be enjoyed, while the whole subject is left to six-and-twenty States, and to eight hundred local Banks, all anxious for the use of money, and the use of credit, in the highest degree.

As I have already said, these sub-Treasury schemes are but contrivances for getting away from a disagreeable duty. And, after all, there are scarcely any two of the friends of the Administration, who can agree upon the same sub-Treasury scheme. Each has a plan of his own. One man requires that all Banks shall be discarded, and nothing but gold and silver shall be received for revenue. Another will exclaim, "That won't do—that's not my thunder." Another would prohibit all the small notes, and another would banish all the large ones. Another is for a special deposit scheme—for making the banks sub-Treasuries and depositories—for making sub-Treasuries of the broken, rotten, treacherous Banks!—for taking bank notes, tying them up with red strings, depositing them in the vaults,—and paying them out again.

It has been the proposition of the Administration, to separate the money of the Government from the money of the People; to secure a good medium of payments, for the use of the Treasury, in collecting and disbursing revenue, and to take no care of the general circulation of the Country. This is the sum of its policy. Looking upon this whole scheme but as an abandonment of

clear Constitutional obligation, I have opposed it, in every form in which it has been presented. My object, as I have already said, and that of those with whom I acted, has been to prevent the sanction of all or any of these new projects, by authority of law, until another Congress should be elected, which might express the will of the People, formed after the present state of things arose. In this object we have succeeded. If we have done little positive good, we have at least prevented the introduction and establishment of new theories, and new contrivances, and we have preserved the Constitution, in this respect, entire. No surrender or abandonment of important powers is, as yet, endorsed on the parchment of that Instrument. No new clause is appended to it, making its provisions a mere *non obstante* to Executive discretion. It has been snatched from the furnace—from this furnace of party contention, heated seven times hotter than it has been wont to be heated,—the Constitution has been rescued, and we may hold it up to the People, this day, and tell them that even the smell of the fire is not upon it.

But now, Gentlemen, a stronger arm must be put forth. A mightier guardianship must now interfere. Time has been gained for public discussion, and consideration, and the great result is now with the People. That they will ultimately decide right, I have the fullest confidence. Party attachment, and party patronage, it is true, may do much to delay the results of general opinion, but they cannot long resist the convictions of a whole People. It is most certain that, up to the present hour, this new policy has been most unfavorably received. State after State has fallen off from the ranks of the Administration, on account of its promulgation, and of the persevering attempt to raise upon it a system of legal, practical administration. The Message of September completed the list of causes necessary to produce a popular revolution in sentiment in Maine, Ohio, New Jersey, and New York. Since the proposition was renewed, at the late session, we have witnessed a similar revolution in Connecticut and Louisiana, and very important changes, perhaps equivalent to revolutions, in the strength of parties in other States. There is little reason to doubt, if all the Electors of the Country could be polled to-day, that a great and decisive majority would be found against all this strange policy. Yet, Gentlemen, I do not consider the question, by any means, as decided. The policy is not abandoned. It is to be persisted in. Its friends look for a reaction in public opinion. I think I understand their hopes and expectations. They rely on this *reaction*. Every thing is to be accomplished by *reaction*. A month ago, this reaction was looked for to show itself in Louisiana. Altogether disappointed in that quarter, the friends of the policy now stretch their hopes to the other extremity of the Union, and look for it in

Maine. In my opinion, Gentlemen, there can be no reaction which can reconcile the people of this Country to the policy at present pursued.

There must, in my opinion, be a change. If the Administration will not change its course, it must be changed itself. But I repeat, that the decision now lies with the People; and in that decision, when it shall be fairly pronounced, I shall cheerfully acquiesce. We ought to address ourselves, on this great and vital question, to the whole People, to the candid and intelligent of all parties. We should exhibit its magnitude; its essential consequence to the Constitution; and its infinite superiority to all ordinary strifes of party. We may well and truly say, that it is a new question; that the great mass of the People, of any party, is not committed on it; and it is our duty to invoke all true patriots, all who wish for the well-being of the Government and the Country, to resist these Experiments upon the Constitution, and this wild and strange departure from our hitherto approved and successful policy.

At the same time, Gentlemen, while we thus invoke aid from all quarters, we must not suffer ourselves to be deceived. We must yield to no expedients, to no schemes and projects, unknown to the Constitution, and alien to our own history and our habits. We are to be saved, if saved at all, *in* the Constitution, not *out* of it. None can aid us, none can aid the Country, by any thing in the nature of mere political project, or any *devices* supply the place of regular Constitutional administration. Any man who, in the present crisis of affairs, shall set up his own ingenuity, or follow his own whim and caprice, instead of looking to the Constitution itself, for relief and safety, will exhibit the foolhardiness of the person, exhibited in one of the old Mysteries which undertook to represent the flood, who had ascended to the top of the highest eminence he could reach, and when, even there, the swelling waters had reached to his chin, told Noah to get along with his old craft, for he did not think there would be much of a storm, after all.

It was to prevent, or to remedy, such a state of things as now exists, that the Constitution was formed and adopted. The time when there is a disordered currency, and a distracted commerce, is the very time when its agency is required; and I hope those who wish for a restoration of general prosperity, will look steadily to the light which the Constitution sheds on the path of duty.

As to you and me, Fellow-Citizens, our course is not doubtful. However others may decide, we hold on to the Constitution, and to all its powers, as they have been authentically expounded, and practically and successfully experienced, for a long period. Our interests, our habits, our affections, all bind us to the principles of our Union as our leading and guiding star.

Gentlemen, I cannot resume my seat without expressing, again,

my sense of gratitude for your generous appreciation of my services. I have the pleasure to know that this occasion originated with the Boston Mechanics, a body always distinguished, always honored, always patriotic, from the first dawn of the Revolution to the present time. Who is here, whose father has not told him — there are some here old enough to know it themselves — that they were Boston Mechanics whose blood reddened State Street, on the memorable fifth of March. And as the tendencies of the Revolution went forward, and times grew more and more critical, it was the Boston Mechanics who composed, to a great extent, the crowds which frequented the Old Whig Head Quarters in Union Street, assembled, as occasion required Patriots to come together, in the Old South, or filled to suffocation this Immortal Cradle of American Liberty.

When Independence was achieved, their course was alike intelligent, wise, and patriotic. They saw, as quick and as fully as any men in the Country, the infirmities of the Old Confederation, and discerned the means by which they might be remedied. From the first, they were ardent and zealous friends of the present Constitution. They saw the necessity of united councils, and common regulations, for all the States, in matters of trade and commerce. They saw, what indeed is obvious enough, that their interest was completely involved with that of the Mercantile class, and other classes; and that nothing but one general, uniform system of commerce, trade, and imports, could possibly give to the business and industry of the Country vigor and prosperity. When the Convention for acting on the Constitution sat in this city, and the result of its deliberations was doubtful, the Mechanics assembled at the Green Dragon, and passed the most firm and spirited Resolutions in favor of the Constitution; and when these Resolutions were presented to the Boston Delegation, by a Committee of which Colonel Revere was Chairman, they were asked by one of the members, how many Mechanics were at the meeting; to which Colonel Revere answered, "More than there are stars in heaven." With Statesman-like sagacity, they foresaw the advantages of a United Government. They celebrated, therefore, the adoption of the Constitution, by rejoicings and festivals, such, perhaps, as have not since been witnessed. Emblematic representations, long processions of all the trades, and whatever else might contribute to the joyous demonstration of gratified patriotism, distinguished the occasion. Gentlemen, I can say with great truth, that an occasion intended to manifest respect to me, could have originated no where with more satisfaction to myself than with the Mechanics of Boston.

I am bound to make my acknowledgments to other classes of citizens who assemble here to join with the Mechanics in the

purpose of this meeting. I see with pleasure the successors and followers of the Mathers, of Clarke, and of Cooper; and I am gratified, also, by the presence of those of my own profession in whose immediate presence and society so great a portion of my life has been passed. It is natural that I should value highly this proof of their regard. We have walked the same paths, we have listened to the same oracles, we have been guided, together, by the lights of Dana, and Parsons, and Sewall, and Parker, not to mention living names, not unknown or unhonored, either at home or abroad. As I honor the Profession, so I honor and respect its worthy members, as defenders of truth, as supporters of law and liberty, as men who ever act on steady principles of honor and justice, and from whom no one, with a right cause, is turned away, though he may come clothed in rags.

Mingling in this vast assembly, I perceive, Gentlemen, many citizens, who bear an appellation which is honored, and which deserves to be honored, wherever a spirit of enlightened liberality, humanity, and charity, finds regard and approbation among men — I mean the appellation of Boston Merchants. In a succession of generations, they have contributed, uniformly, to great objects of public interest and advantage. They have founded institutions of Learning, of Piety, and of Charity. They have explored the field of human misfortune and calamity; they have sought out the causes of vice, and want, and ignorance, and have sought them only that they might be removed and extirpated. They have poured out their wealth, the acquisition of their industry and honorable enterprise, like water, that that might relieve the necessities of poverty, administer comfort to the wretched, soothe the ravings of distressed insanity, open the eyes of the blind, unstop the ears of the deaf, and shed the light of knowledge, and the reforming influences of religion, where ignorance and crime have abounded. How am I to commend, not only single acts of benevolence, but whole lives of benevolence, such as this? May He reward them — may that Almighty Being reward them, in whose irreversible judgment, in that day which is to come, the merit even of the widow's mite shall outweigh the advantages of all the pomp and grandeur of the world!

Gentlemen, Citizens of Boston, I have been in the midst of you for twenty years. It is nearly sixteen years, since, quite unexpectedly to myself, you saw fit to require public service at my hands, and to place me in the National Legislature. If, in that long period, you have found, in my public conduct, something to be approved, and more to be forgiven than to be reprehended, and if we meet here, to-day, better friends for so many years of acquaintance and mutual confidence, I may well esteem myself happy in the enjoyment of a high reward.

I offer you, again, Fellow-Citizens, my grateful acknowledgments, and all my sincere and cordial good wishes; and I propose to you —

**“THE CITY OF BOSTON: MAY IT CONTINUE TO BE THE HEAD
QUARTERS OF GOOD PRINCIPLES, TILL THE BLOOD OF THE REVO-
LUTIONARY PATRIOTS SHALL HAVE RUN THROUGH A THOUSAND
GENERATIONS!”**

REMARKS

IN THE SENATE OF THE UNITED STATES, ON THE BILL TO GRADUATE THE PRICE OF THE PUBLIC LANDS, JANUARY 14, 1839.

ON the 14th of January, on the question of postponing the bill indefinitely, moved by Mr. RIVES.—

MR. WEBSTER rose, and said, that he had hardly time to look at the bill before he was called on to vote on the question of its indefinite postponement. He should, however, take the occasion to say a few words, principally because it was known, on some of the subjects connected with the public lands, he had the misfortune to differ from those with whom he generally acted. He well recollected that his attention was earnestly called to this subject by Mr. Madison, at the close of his administration, who remarked that the Northern and Atlantic members of Congress had been quite too inattentive to it — that it was a great interest. And it might show how much even Mr. Madison underrated this interest, when he (Mr. Webster) stated that Mr. Madison's remark was, that he had no doubt, under a proper administration, the public lands would yield annually *a million and a half* of dollars.

Mr. W. said the earliest occasion for his taking a part in the deliberations of Congress on the public lands was the first session he took his seat in the Senate. A graduation bill was then before Congress, and the whole subject was much discussed. He, at that time, heard doctrines and sentiments advanced which struck him very strangely. He recollected an able and elaborate argument by a member from Indiana, designed to prove that all the new lands in any new State became the property of that State by the mere fact of her admission into the Union. He heard a speech in favor of the same sentiment, from a member from Alabama, so distinguished for legal and constitutional attainment, as since to have been made a Judge of the Supreme Court of the United States. These doctrines and opinions he had certainly opposed with the utmost of his power, as having no foundation in constitutional law, and as subversive of all justice and equity to the States. They did not obtain much favor with the country, and, after a while, appear to have been abandoned. But, then, another proposition had subsequently arisen in another quarter, in his opinion equally objectionable, which

was, that, though the public lands rightfully belonged to this Government, yet Congress ought to cede them to the States in which they lie. This, also, he opposed, and should continue to oppose, because he regarded it as palpable injustice to the States generally, and a direct violation of the trust upon which the lands had been originally conveyed to Congress.

In regard to both these propositions, Mr. Webster said, that, while he had exerted himself to maintain what he thought the true interests of the country, he had the pleasure of concurring with those with whom he generally acted on political subjects. With regard, however, to some subordinate questions as to *the mode of administering* this trust, he had differed from them last session on the pre-emption bill. He was in favor of that bill. He wished then, and wished now, that the bill had been more perfect, so as to carry out more fully and completely the intentions of Congress. And, on this subject of graduation, he had expressed opinions at an early day, in which his friends did not concur. In the session of 1827, 1828, before referred to, he had moved to amend the bill then pending by striking out all after the enacting clause, and inserting what he would then read. Mr. Webster then read the following:—

“Further to amend the bill by striking out all after the enacting clause, and inserting the following:—

“That, at any time from and after the first day of January, anno Domini one thousand eight hundred and twenty-nine, such portions of the public lands as shall have been offered at public sale, and shall also have been subject to entry at private sale, for the term of ——— years, and shall still remain unsold, shall thenceforward be offered at private sale in parcels, conforming to sectional divisions and subdivisions, at the rate of ——— per acre.

“Sec. 2. *And be it further enacted*, That it shall and may be lawful for any head of a family, young man over the age of twenty-one years, or widow, not having received a donation of land from the United States, and wishing to become an actual settler on any parcel of public land authorized by the first section of this act to be sold at ——— per acre, and not exceeding in quantity the amount of one quarter section, to demand and receive, from the proper register and receiver, a written permission to settle on the same, upon payment, to be made to the proper receiver, of the sum of ——— cents per acre; and if such person, so applying for and receiving such permission, shall forthwith settle on the said land, and he or she, or his or her heirs or legal representatives, shall cultivate the same for five successive years, and shall be a citizen or citizens of the United States at the end of that time, then, on proper proof being made, before the register and receiver, of such settlement, cultivation, and citizenship, a patent shall issue for the said land to the person who received such permission, or his or her heirs or legal representatives. And the faith of the United States is hereby pledged to all persons who may settle on the public lands, according to the provisions of this section, that no dispensation shall, at any time, be granted to any individual from complying with the substantial conditions herein prescribed. And if due proof of settlement, cultivation, and citizenship, as herein required, be not made within ——— years next after the expiration of said five years, the said land shall again be subject to entry at private sale, as land belonging to the United States.”

Mr. Webster said, the Senate would take notice that the bill then pending was a bill "to graduate the price of the public lands, to make donations thereof to actual settlers, and to cede the refuse to the States in which they lie;" that his amendment embraced two objects,—the graduation of price, and the donation to actual settlers, but that it rejected all cessions to the States. It would be noticed, too, that this graduation proposed but one step, and to stop there. As to donations to actual settlers, he had often expressed the opinion, and still entertained it, that it would have been a wise policy in Government, from the first, to have made a donation of half a quarter or one quarter section to every actual settler, the head of a family, upon condition of habitation and cultivation; that this would have been far better, and freer from abuse, than any system of preëmption.

And, as to *graduation*, what was it? It simply meant a reduction of the price, in order to make sale of lands that would not sell at the existing price. Certainly it could be no matter of *principle* that all lands, good and bad, should be held at the same rate. It might be expedient or inexpedient, but no principle was involved in the matter. The law of 1820, which reduced the price of all lands from \$2 to \$1 25 an acre, was itself a graduation bill, and a most important one, and its effects have been generally thought to be useful. When lands have been a long time in market at a certain price, and have not commanded it, why should they not be put at a price at which they will sell? In all this matter, he had always felt the conviction that the real object of the conveyance of these lands to the United States was, that they should be sold and settled. Sale and settlement were the great ends in view. He did not mean that they were to be sold in a hurry, or crowded on the market beyond the demand. But they were to be sold at reasonable prices, as fast as the country could be settled. In some cases, lands had been in market for twenty years. They were inferior lands, and could not be sold at the general price. Why should they, then, not be sold at such a price as they would bring? Was this not what an individual would do who held lands in trust to sell? He knew very well that where these poorer lands were mixed in with better lands which had been sold, the sale and cultivation of these better lands in the neighborhood had raised the price of the poorer lands; so that, in such places, some of these poorer lands were disposed of every year at the common price. Yet, even here, the sales were inconsiderable and lingering.

But, then, there were other causes which formed the main occasion for graduation of prices. They were when very large *tracts* of lands were altogether of very inferior quality. Such large tracts did exist in several of the South-Western States—in Mississippi, Arkansas, Louisiana, and Alabama. There was reason to believe

that large territories of this description would not sell, at the present price, in half a century, nor a century. This state of things is inconvenient to the States, without being useful to the United States. While held by the United States, these lands are not subject to State taxation. They contribute nothing to the burdens thrown on other lands. A great proprietor is in the State, holding large territory, exempt from common burdens. Let it be remembered (Mr. Webster repeated) that our trust is to sell and settle, not to hold permanently. It is to sell and settle, and to apply the proceeds to purposes beneficial to all the People of the United States. He was against all notion of permanent holding. He had always been opposed to the policy of reserving lands supposed to contain mines, with a view of leasing them, and deriving rent to Government. His opinion had always been that these lands should be examined, explored, their true value ascertained and disclosed, and then the lands sold, like other lands, to the highest bidder.

He said that, when he brought forward his proposition, in April, 1828, most of his political friends voted for it. But it was rejected by a majority of the Senate; and the bill then before the Senate, being on its passage, was also rejected.

Mr. Webster said he had now stated, in very few words, the history of his opinion on this subject of graduation. He hoped it was apparent, at least, that he had embraced no new sentiments suddenly. He thought, as he always had thought, graduation was a question of degree. It was wise or unwise as it was slow and reasonable, or as it was sudden and extravagant. He was for a slow graduation. He had proposed but one step. He was for trying that first, and for seeing the effect. He had felt confident, and still felt perfectly confident, that there were vast tracts of lands now lying within the limits of some of the States, that would not be disposed of for some generations to come without a reduction of price. If the present bill should be made conformable to his proposition in 1828, he should vote for it. But he doubted exceedingly whether a bill satisfactory to any part of the House could be carried through Congress at this session. There was beginning to be a good deal of excitement on the subject in the country. The doctrines that had been set up had at length alarmed the States and the People. For his part, he was glad to see this roused attention. He was glad to see the public mind thus awakened. The public lands were a fund for the use of all the People of the United States; and while he wished that this fund should be administered in a spirit of the utmost kindness to the actual settlers and the People of the new States, he should consent to no trifling with it, no wasting of it, no cession of it, no diversion of it in any manner from that general public use for which it was created.

ARGUMENT

IN THE SUPREME COURT OF THE UNITED STATES, FEBRUARY 9, 1839, IN THE GREAT APPEAL CASE FROM THE DISTRICT OF ALABAMA.

THE record (said Mr. WEBSTER) presents this case: —

The Bank of the United States is a corporation created by a law of the State of Pennsylvania. By that act the bank, among other functions, possesses that of dealing in bills of exchange. In the month of January, 1837, having funds in Mobile, this bank, through the instrumentality of its agent, Mr. Poe, purchased a bill of exchange to remit to New York. This bill, drawn at Mobile upon New York, and endorsed by *Wm. D. Primrose*, the defendant in this case, not having been paid either at New York or by the drawer, the Bank of the United States instituted this suit in the Circuit Court of Alabama, to recover the money due on the bill.

In the court below, it was decided that the contract by Poe in behalf of the bank was void, on two grounds; — *first*, because it was a contract made by the Bank of the United States, in the State of Alabama; whereas a bank incorporated by the State of Pennsylvania can do no act out of the limits of Pennsylvania; — *secondly*, because Alabama has a bank of her own, the capital of which is owned by the State herself, which is authorized to buy and sell exchange, and from the profits of which she derives her revenue; and, the purchase of bills of exchange being a banking operation, the purchase of such bills by others, at least by any corporation, although there is no express law forbidding it, is against the policy of the State of Alabama, as it may be inferred from the provisions of the constitution of that State, and the law made in conformity thereto.

It is admitted that the parties are rightfully in court. It is admitted, also, that the defendant is a citizen of Alabama, and that all the citizens who compose the corporation of the Bank of the United States are citizens of the State of Pennsylvania, or of some other State besides Alabama. The question is, Can they, as a corporation, do any act within the State of Alabama? In other words, is there any thing in the constitution or laws of the State of Alabama which prohibits, or rightfully can prohibit, citizens of other States, or corporations created by other States, from buying and selling bills of exchange in the State of Alabama?

In his argument, yesterday, for the defendant in this case, my learned friend (Mr. Van de Graff) asked certain questions which I propose to answer.

Can this bank (said he) transfer itself into the State of Alabama? Certainly not.

Can it establish a branch in the State of Alabama, there to perform the same duties, and transact the same business, in all respects, as in the State of Pennsylvania? Certainly not.

Can it exercise in the State of Alabama *any* of its corporate functions? Certainly it can. For my learned friend admits its right to sue in that State, which is a right that it possesses solely by the authority of the Pennsylvania law by which the bank is incorporated.

We thus clear the case of some difficulty by arriving at this point, — the admission on both sides that there are certain powers which the bank *can* exercise within the State of Alabama, and certain others which it *cannot* exercise.

The question is, then, whether the bank can exercise, within the State of Alabama, this very power of buying a bill of exchange.

Our proposition is, that she *can* buy a bill of exchange within the State of Alabama; because there are no corporate functions necessary to the act of buying of a bill of exchange; because buying and selling exchange is a thing open to all the world, in Alabama as well as every where else; because, although the power to buy and sell bills of exchange be conferred upon this bank by its charter, and it could not buy or sell a bill of exchange without that provision in its charter, yet this power was conferred upon it, as were other powers conferred by its charter, to place the bank upon the same footing as an individual — to give it, not a monopoly, not an exclusive privilege, in this respect, but simply the same power which the members of the corporation, as individuals, have an unquestionable right to exercise. The banker, the broker, the merchant, the manufacturer, all buy bills of exchange as individuals: the individuals who compose a corporation may do it; and we say that they may do it, though they do it in the name of, and for, the corporation. We say, undoubtedly, that they cannot acquire power, under the Pennsylvania charter, to do acts in Alabama which they cannot do as individuals; but we say that the corporation may do, in their corporate character, in Alabama, all such acts, authorized by their charter, as the members thereof would have a right to perform as individuals.

The learned counsel on the other side was certainly not disposed to concede, gratuitously, any thing in this case. Yet he did admit that there might be a case in which the acts of a corporation, created by one State, if done in another State, would be valid. He supposed the case of a railroad company in one State sending an

agent into another State to buy iron for the construction of the road. Without conceding expressly the point of law in that case, he admitted that it would be a case very different from the present; and he gave as a reason for this admission, that it would be a single special act, necessary to enable the corporation to execute its functions within the State to which it belonged, and in this respect differing from the case now under consideration. In what circumstance, it may well be asked, do the cases differ? One act only of the corporation of the Bank of the United States is set forth in this record, and that act stands singly, and by itself. There is no proof before the court that the corporation ever bought another bill of exchange than that which is the subject of this suit. Transactions of this nature must necessarily come one by one before this court, when they come at all, and must stand or fall on their individual merits, and not upon the supposition of any policy which would recognize the legality of a single act, and deny the validity of the dealings, or transactions, generally, of which that act is a part.

Then, as to the other reason stated by my learned friend in support of the idea that such a purchase of iron might be supported, — he says it is because that, in that case, the purchase, being made abroad solely to enable the corporation to perform its functions at home, might be considered legal, under the law of comity from one State to another.

Now, (said Mr. Webster,) that supposed case is precisely the case before the court. Here is the case of a corporation established in Philadelphia, one of whose lawful functions is to deal in exchange. A Philadelphia merchant, having complied with the order of his correspondent in Alabama, draws a bill upon him for the amount due in consequence, goes to the Bank of the United States, and sells the bill. The funds thus realized by the bank from the purchase of bills of exchange accumulate in Alabama. How are those funds to be brought back by the Philadelphia corporation within its control? The bank has unquestioned power to deal in bills of exchange. Can there be such a thing as dealing in *exchange*, with a power to act only on one end of the line? Certainly not. How, then, is the bank in Philadelphia to get its funds back from Alabama? Suppose that it were to send an agent there, and buy specie. Can the bank ship the specie? Can it sign an agreement for the freight, insurance, and charges of bringing it round? To do that would be an act of commerce, of navigation, — not of exchange. A power conferred upon a bank to deal in exchange would be perfectly nugatory, unless accompanied by a power also to direct its funds to be remitted. The practical result of a contrary construction would be, that this Pennsylvania bank may carry on exchange between Philadelphia and Reading, or

Philadelphia and Lancaster, but not by possibility with Mobile, or any other city or place in the South, or even with New York, Trenton, or Baltimore. Out of Pennsylvania it could only buy and remit. It could get no return. An exchange that runs but one way! What sort of an *exchange* is that?

[Having cleared the case of some of these generalities, Mr. Webster proceeded to the exposition of what he considered a constitutional, American view of the question.]

The record of this case finds that these plaintiffs, the members of the corporation of the Bank of the United States, are citizens of other States, and that the defendant is a citizen of Alabama. Now, in the first place, (to begin with the beginning of this part of the question,) what are the relations which the individual citizens of one State bear to the individual citizens of any other State of this Union?

How did the matter stand before the Revolution? When these States were colonies, what was the relation between the inhabitants of the different colonies? Certainly it was not that of aliens. They were not, indeed, all citizens of the same colony; but certainly they were fellow-subjects, and owed a common allegiance; and it was not competent for the legislative power to say that the citizens of any one of the colonies should be alien to the others. This was the state of the case until the 4th of July, 1776, when this common allegiance was thrown off. After a short interval of two years, after the renunciation of that allegiance, the articles of confederation were adopted; and now let us see what was the relation between the citizens of the different States by the Articles of Confederation. The Government had become a confederation. But it was something more, much more. It was not merely an alliance between distinct governments for the common defence and general welfare, but it recognized and confirmed a community of interest, of character, and of privileges, between the citizens of the several States.

"The better to secure and perpetuate mutual friendship and intercourse among the people of the different States in this Union," said the 4th of the Articles of Confederation, "the free inhabitants of each of these States shall be entitled to all the privileges and immunities of free citizens in the several States; and the people of each State shall have free ingress and egress to and from any other State, and shall enjoy therein all the privileges of trade and commerce," &c. This placed the inhabitants of each State on equal ground as to the rights and privileges which they might exercise in every other State. So things stood at the adoption of the Constitution of the United States. The article of the present Constitution, in fewer words and more general and comprehensive terms, confirms this community of rights and privileges in the following form:—"The citizens of each State shall be entitled to all the

privileges and immunities of citizens in the several States." However obvious and general this provision may be, it will be found to have some particular application to the case now before the court; the article in the Confederation serving as the expounder of this article in the Constitution.

That this article in the Constitution does not confer on the citizens of each State *political* rights in every other State, is admitted. A citizen of Pennsylvania cannot go into Virginia and vote at an election in that State; though, when he has acquired a residence in Virginia, and is otherwise qualified, as required by her Constitution, he becomes, without formal adoption as a citizen of Virginia, a citizen of that State politically. But, for the purposes of trade, commerce, buying and selling, it is evidently not in the power of any State to impose any hinderance or embarrassment, or lay any excise, toll, duty, or exclusion, upon citizens of other States, to place them, coming there, upon a different footing from her own citizens.

There is one provision, then, in the Constitution, by which citizens of one State may trade in another without hinderance or embarrassment.

There is another provision of the Constitution by which citizens of one State are entitled to sue citizens of any other State in the courts of the United States.

This is a very plain and clear right under the Constitution; but it is not more clear than the preceding.

Here, then, are two distinct constitutional provisions conferring power upon citizens of Pennsylvania and every other State, as to what they may do in Alabama or any other State: citizens of other States may *trade* in Alabama in whatsoever is lawful to citizens of Alabama; and if, in the course of their dealings, they have claims on citizens of Alabama, they may *sue* in Alabama in the courts of the United States. This is American, constitutional law, independent of all comity whatever.

By the decisions of this court, it has been settled that this right to *sue* is a right which may be exercised in the name of a corporation. Here is one of their rights, then, which may be exercised in Alabama by citizens of another State *in the name of a corporation*. If citizens of Pennsylvania can exercise in Alabama the right to sue, in the name of a corporation, what hinders them from exercising in the same manner this other constitutional right, *the right to trade*? If it be the established right of persons in Pennsylvania to sue in Alabama in the name of a corporation, why may they not do any *other* lawful act in the name of a corporation? If no reason to the contrary can be given, then the law in the one case is the law also in the other case.

My learned friend says, indeed, that suing and making a contract are different things. True; but this argument, so far as it has any

force, makes against his cause; for it is a much more distinct exercise of corporate power to bring a suit, than by an agent to make a purchase. What does the law take to be true when it says that a corporation of one State may sue in another? Why, that the corporation is there, in court, ready to submit to the court's decree, a party on its record. But in the case of the purchase of the bill of exchange, such as is the subject of this suit, what is assumed? No more than that George Poe bought a bill of exchange, and paid the value for it on account of his employers in Philadelphia. So far from its being a more natural right for a corporation to be allowed to sue, it is a more natural right to be allowed to trade, in a State in which the corporation does not exist. What is the distinction? Buying a bill of exchange is said to be an act, and, therefore, the corporation could not do it in Alabama. Is not a suit an act? Is it not doing? Does it not, in truth, involve many acts?

The truth is, that this argument against the power of a corporation to do acts beyond the territorial jurisdiction of the authority by which it is created, is refuted by all history as well as by plain reason.

What have all the great corporations in England been doing for centuries back? The English East India Company, as far back as the reign of Elizabeth, has been trading all over the Eastern world. That company traded in Asia before Great Britain had established any territorial government there, and in other parts of the world where England never pretended to any territorial authority. The Bank of England, established in 1694, has been always trading and dealing in exchanges and bullion with Hamburg, Amsterdam, and other marts of Europe. Numerous other corporations have been created in England for the purpose of exercising power over matters and things in territories wherein the power of England has never been exerted. The whole commercial world is full of such corporations, exercising similar powers, beyond the territorial jurisdiction within which they have legal existence.

I say, then, that the right, secured to the people of Pennsylvania, to sue in any other State in the name of a corporation, is no more clear than this other right of such a corporation to trade in any other State; nor even so clear: it is a farther-fetched legal presumption, or a much greater extent of national courtesy or comity, to suppose a foreign corporation actually in court, in its legal existence, with its legal attributes, and acting in its own name, than it is to allow an ordinary act of trade, done by its agent, on its own account, to be a valid transaction.

Mr. Webster here referred to an opinion of this court directly bearing on this question. It was in the case of the *Bank of the United States* vs. *Deveaux*, decided in 1809. The bank here mentioned was the first Bank of the United States, which had not, like the last,

express authority given in its charter to sue in the courts of the United States. It sued, therefore, as this plaintiff sues, in its name as a corporation; but with an averment, as here, that its members were citizens of Pennsylvania, the action being brought against a citizen of Georgia. The only question was, whether the plaintiffs might not exercise their constitutional right to sue in the courts of the United States, although they appeared in the name of their Pennsylvania corporation; and the court decided that they might. "Substantially and essentially," said Chief Justice Marshall, "the parties in such a case, where the members of the corporation are aliens, or citizens of a different State from the opposite party, come within the spirit and terms of the jurisdiction conferred by the Constitution on the national tribunals." "That corporations composed of citizens are considered by the Legislature as citizens, under certain circumstances, is to be strongly inferred from the registering acts. It never could be intended that an American registered vessel, abandoned to an insurance company composed of citizens, should lose her character as an American vessel; and yet this would be the consequence of declaring that the members of the corporation were, to every intent and purpose, out of view, and merged in the corporation."

The argument here is, that citizens may exercise their rights of suing, as such citizens, in the name of their corporation; because, in such a name, the law recognizes them as competent to engage in transactions, hold property, and enjoy rights proper for them as citizens.

If the court agree in this language of its own opinion as far back as the year 1809, it must be admitted that the rights of the people of Pennsylvania, as citizens of the United States, are not merged in the act of incorporation by which they are associated, and under which they are parties to this suit. If there ever was a human being that did not argue to the obscure from the more obscure, it was certainly the late chief justice of the United States. And what is his argument to prove that the citizens of one State may sue in another by a corporate name? It is, as I have said, that they may sue by a corporate name, *because* they can do acts out of court by a corporate name; whilst, directly reversing this conclusion, it has been held in this case, in the court below, that, whilst a corporation of one State may rightfully sue in another State, it cannot do any other act therein.

In this view of the case, (said Mr. Webster,) I see no occasion to invoke the law of comity or international courtesy to our aid. Here our case stands, independently of that law, on American ground, as an American question.

Now, as to the reason of the case. What possible difference can it make, if these citizens of Pennsylvania can trade, or buy and sell

bills, in Alabama, whether the trading, or buying and selling, be under one agency or another? That Poe (the agent of the Bank of the United States at Mobile) could, under a power of attorney from a citizen of Philadelphia, buy and sell bills of exchange in Alabama, will not be denied. If, without an act of incorporation, several citizens of Philadelphia should form an association to buy and sell bills of exchange, with five directors or managers of its concerns, those five directors may send as many agents as they please into other States to buy bills of exchange, &c. Having thus formed themselves into this associated company, and appointed agents for the purpose of transacting their business, if they should go one step further, and obtain a charter from Pennsylvania, that their meetings and proceedings may be more regular, and the acts of the association more methodical, what would be the difference, in the eye of reason, between the acts of the members of such a corporation, and the acts of the same individuals associated for the same purposes without incorporation, and acting by common agents, correspondents, or attorneys? The officers of a bank are but the agents of the proprietors; and their purchases and sales are founded upon their property, and directed by their will, in the same manner as the acts of agents of unincorporated associations or partnerships. The Girard Bank, we all know, was never incorporated until after Mr. Girard's death; yet its proprietor, during a considerable part of his life, and until his death, acted as a banker. Could he not, during his life, send an agent into Alabama, and there purchase bills of exchange? And if his neighbors over the way chose to ask for an act of incorporation from the State of Pennsylvania, are they thereby any less entitled to the privileges common to all other citizens, than Stephen Girard was?

I agree, certainly, generally, that a State law cannot operate extratorrally, as the phrase is. But it is a rule of law, that a State authority may create an artificial being, giving it legal existence; and that that being, thus created, may legally sue in other States than that by which it is created. It follows, of course, as a consequence of the right of suit in another State, that it may obtain judgment there. If it obtain judgment, it may accept satisfaction of that judgment. If a judgment be obtained in Alabama by the Bank of the United States, would not an acknowledgment of satisfaction by an agent of the bank be a satisfaction of the decree of the court? How is the fruit of a suit to be gathered, if the bank, by its agent, cannot do this act? What benefit can it be to this bank to be allowed to sue in Alabama, if it cannot take the money sued for? But it is said, by the court below, that it cannot recover money in Alabama, because it cannot do an act there! According to this argument, although the power to appeal to law and the power to recover judgment exist, yet the *fructus legis* is all dust and ashes.

On the commercial branch of this question, (Mr. Webster continued,) he would say but little. But thus much he would say: 'The State of Alabama cannot make any commercial regulation for her own emolument or benefit, such as should create any difference between her own citizens and citizens of other States. He did not say that the State of Alabama may not make corporations, and give to them privileges which she does not give to her citizens. But he did say, that she cannot create a monopoly to the prejudice of citizens of other States, or to the disparagement or prejudice of any common commercial right. Suppose that a person, having occasion to purchase bills of exchange, should not like the credit of bills sold by the Bank of Alabama; or suppose (what is within the reach of possibility) that the Bank of Alabama should fail; may not a citizen buy bills elsewhere? Or is it supposed that the State of Alabama can give such a preference to any institution of her own in the buying and selling of exchange, that no exchange can be bought and sold within her limits but by that institution? It would be, doubtless, doing the State great injustice to suppose that she could entertain any such purpose.

In conclusion of the argument upon this point, (said Mr. Webster,) I maintain that the plaintiffs in this case had a right to purchase this bill, and to recover judgment upon it. For the same reason that they had a right to bring this suit, they had the right to do the act upon which the suit was brought.

But, if the rights of the plaintiffs, under this constitutional view of the case, be doubted, then what has been called the comity of nations obliges the court to sustain the plaintiffs in this cause.

The term "comity" is taken from the civil law. Vattel has no distinct chapter upon that head. But the doctrine is laid down by other authorities with sufficient distinctness, and in effect by him. It is, in general terms, that there are, between nations at peace with one another, rights, both national and individual, resulting from the comity or courtesy due from one friendly nation to another. Among these is the right to sue in their courts respectively; the right to travel in each other's dominions; the right to pursue one's vocation in trade; the right to do all things, generally, which belong to the citizens proper of each country, and which they are not precluded from doing by some positive law of the state. Among these rights, one of the clearest is the right of a citizen of one nation to take away his property from the territory of any other friendly nation, without molestation or objection. This is what we call the comity of nations. It is the usage of nations, and has become a positive obligation on all nations. I know (said Mr. Webster) that it is but customary or voluntary law; that it is a law existing by the common understanding and consent of nations, and not established for the government of nations by any common superior. For this

reason, every nation, to a certain extent, judges for itself of the extent of the obligation of this law, and puts its own construction upon it. Every other nation, however, has a right to do the same; and if, therefore, any two nations differ irreconcilably in their construction of this law, there is no resort for settling that difference but the *ultima ratio regum*.

The right of a foreigner to sue in the courts of any country may be regulated by particular laws or ordinances of that country. He may be required to give security for the costs of suit in any case, or not to leave the country until the end of the controversy. He may possibly be required to give security that he will not carry his property out of the country till his debts are paid. But if, under pretence of such regulation, any nation shall impose unreasonable restrictions or penalties on the citizens of any other nation, the power of judging that matter for itself lies with that other nation. Suppose that the Government of the United States, for example, should say that every foreigner should pay into the public Treasury ten, twenty, or fifty per cent. of any amount which he might recover by suit in our courts of law; would such a regulation be perfectly just and right? Or would not the practice of such extortion upon the citizens of other nations be a just ground of complaint; and, if unredressed, a ground of war, much more sufficient than most of the causes which put nations in arms against one another? What is, in fact, now the question, which has assumed so serious an aspect between the Governments of France and Mexico? One of the leading causes of difference between the two countries, so far as I understand it, is, not that the courts of Mexico are not open to the citizens or subjects of France, but that the courts do not do justice between them and the citizens of Mexico; in other words, that French subjects are not treated in Mexico according to the comity of the law of nations. [Mr. Webster said he did not speak of the merits of this quarrel: into that he did not enter: he spoke only of things alleged between the parties.] Look (said Mr. Webster) into Vattel, and you will find that this very right to carry away property, the proceeds of trade, from a foreign friendly country, *by exchange*, is a well-understood and positive part of the law of nations. Suppose that there existed no treaties between the United States and France or England, guarantying these rights to each other's citizens; these rights would yet exist, by tacit consent and permission. Suppose this Government, in the absence of treaties, were to shut its courts against the citizens of either nation, (to do so would be only a violation of the comity of nations,) and should grant them no redress upon complaint being made; it might, unquestionably, be ground of war against the United States by that nation.

There are in London several incorporated insurance companies. Suppose a ship, insured by one of these companies, should be wrecked

in the Chesapeake Bay. Being abandoned, she becomes the property of the corporation by which she was insured. I demand whether the insurers may not come and take this property, and bring an action for it, if necessary, in any court in this country, State or Federal. They may recover by an action of tort against the wrong-doer. They may replevy their property, if necessary, or sell it, or refit it, or send it back. Unquestionably, if any country were to debar the citizens of another country of the enjoyment of these common rights within its territorial jurisdiction, it would be cause of war. I do not mean that a single act of that sort would, or should, bring on a war; but it would be an act of that nature, so plain and manifest a violation of our duty under the law of nations, as to justify war. According to the judgment of the court below, in the present case, however, these insurance companies would be deprived of their rightful remedy. You let them sue, indeed; but that is all.

Mr. Webster here referred to a case tried some time ago in the Circuit Court of the Massachusetts District, in which he was counsel, in which a vessel insured in Boston was wrecked in Nova Scotia, and was abandoned to the insurers. The insurance office sent out an agent, who did that which the owner of the vessel said was an acceptance of the abandonment. On the question whether the agent of the Boston office accepted the abandonment, (said Mr. Webster,) the court decided the case. If we had said that we sent him down, indeed, but that his agency ceased when he got to the boundary line of the State, and he could do no act when he got beyond it, and the court had agreed with us, we might, perhaps, have gained our cause. But it never occurred to me, nor probably to the court, that the agency of our agent terminated the moment that he passed the limits of the State.

The law of comity is a part of the law of nations; and it does authorize a corporation of any State to make contracts beyond the limits of that State.

How does a *State* contract? How many of the States of this Union have made contracts for loans in England! A State is sovereign, in a certain sense. But, when a State sues, it sues as a corporation. When it enters into contracts with the citizens of foreign nations, it does so in its corporate character. I now say, that it is the adjudged and admitted law of the world, that corporations have the same right to contract and to sue in foreign countries as individuals have. By the law of nations, individuals of other countries are allowed in this country to contract and sue; and we make no distinction, in the case of individuals, between the right to sue and the right to contract. Nor can any such distinction be sustained in law in the case of corporations. Where, in history, in the books, is any law or *dictum* to be found, (except the disputed case from Virginia,)

in which a distinction is drawn between the rights of individuals and of corporations to contract and sue in foreign countries in regard to things, generally, free and open to every body? In the whole civilized world, at home and abroad, in England, Holland, and other countries of Europe, the equal rights of corporations and individuals, in this respect, have been undisputed until now, and in this case; and if a distinction is to be set up between them at this day, it lies with the counsel on the other side to produce some semblance of authority or show of reason for it.

But it is argued, that, though this law of comity exists as between independent nations, it does not exist between the States of this Union. That argument appears to have been the foundation of the judgment in the court below.

In respect to this law of comity, it is said, States are not nations; they have no national sovereignty; a sort of residuum of sovereignty is all that remains to them. The national sovereignty, it is said, is conferred on this Government, and part of the *municipal* sovereignty. The rest of the municipal sovereignty belongs to the States. Notwithstanding the respect which I entertain for the learned judge who presided in that court, I cannot follow in the train of his argument. I can make no diagram, such as this, of the partition of national character between the State and the General Governments. I cannot map it out, and say, "So far is national, and so far municipal; and here is the exact line where the one begins and the other ends." We have no second Laplace, and we never shall have, with his *Mécanique Politique*, able to define and describe the orbit of each sphere in our political system with such exact mathematical precision. There is no such thing as arranging these governments of ours by the laws of gravitation, so that they will be sure to go on forever without impinging. These institutions are practical, admirable, glorious, blessed creations. Still they were, when created, experimental institutions; and if the Convention which framed the Constitution of the United States had set down in it certain general definitions of power, such as have been alleged in the argument of this case, and stopped there, I verily believe that, in the course of the fifty years which have since elapsed, this Government would have never gone into operation.

Suppose that this Constitution had said, in terms, after the language of the court below, "*All national sovereignty shall belong to the United States; all municipal sovereignty to the several States.*" I will say that, however clear, however distinct, such a definition may appear to those who use it, the employment of it in the Constitution could only have led to utter confusion and uncertainty. I am not prepared to say that the States have no national sovereignty. The laws of some of the States — Maryland and Virginia, for instance — provide punishment for treason. The power thus exercised

is certainly not municipal. Virginia has a law of alienage: that is a power exercised against a foreign nation. Does not the question necessarily arise, when a power is exercised concerning an alien enemy — “Enemy to whom?” The law of escheat, which exists in many States, is also the exercise of a great sovereign power.

The term “sovereignty” does not occur in the Constitution at all. The Constitution treats States as States, and the United States as the United States; and, by a careful enumeration, declares all the powers that are granted to the United States, and all the rest are reserved to the States. If we pursue to the extreme point the powers granted and the powers reserved, the powers of the General and State Governments will be found, it is to be feared, impinging and in conflict. Our hope is, that the prudence and patriotism of the States, and the wisdom of this Government, will prevent that catastrophe. For myself, I will pursue the advice of the court in *Deveaux’s* case; I will avoid nice metaphysical subtleties, and all useless theories; I will keep my feet out of the traps of general definition; I will keep my feet out of all traps; I will keep to things as they are, and go no farther to inquire what they might be, if they were not what they are. The States of this Union, as States, are subject to all the voluntary and customary law of nations. [Mr. Webster here referred to and quoted a passage from Vattel, page 61, which, he said, clearly showed that States connected together as are the States of this Union, must be considered as much amenable to the law of nations as any others.]

If, for the decision of any question, the proper rule is to be found in the law of nations, that law adheres to the subject. It follows the subject through, no matter into what place, high or low. You cannot escape the law of nations in a case where it is applicable. The air of every judicature is full of it. It pervades the courts of law of the highest character, and the court of *pie poudre*; ay, even the constable’s court. It is part of the universal law. It may share the glorious eulogy pronounced by Hooker upon law itself — that there is nothing so high as to be beyond the reach of its power, nothing so low as to be beneath its care. If any question be within the influence of the law of nations, the law of nations is there. If the law of comity does not exist between the States of this Union, how can it exist between a State and the subjects of any foreign sovereignty?

Upon all the consideration that I have given to the case, the conclusion seems to me inevitable, that if the law of comity do not exist between the States of this Union, it cannot exist between the States individually and foreign Powers. It is true, a State cannot make a treaty; she cannot be a party to a new chapter on the law of nations; but the law which prevails among nations — the customary rule of judicature, recognized by all nations — binds her in all her courts.

I have heard no answer to another argument. If a contract be made in New York, with the expectation that it is to be there executed, and suit is brought upon it in Alabama, it is to be decided by the law of the State in which the contract was made. In a case now before this court, there has been a decision by the court of Alabama, in which that court has undertaken to learn the law of the State of New York, and administer it in Alabama. Why take notice in Alabama of the law of New York? Because, simply, there are cases in which the courts in Alabama feel it to be their duty to administer that law, and to enforce rights accordingly. That (said Mr. Webster) is the very point for which we contend, viz., the court in Alabama should have given effect to rights exercised in that State by the plaintiff in the present cause, under the authority of Pennsylvania, without prejudice to the State of Alabama.

After all that has been said in argument about corporations, they are but forms of special partnership, in some of which the partners are severally liable. The whole end and aim of most of them, as with us, is to concentrate the means of small capitalists in a form in which they can be used to advantage.

In the Eastern States, manufactures too extensive for individual capital are carried on in this way. A large quantity of goods is manufactured and sold to the South, out of cotton bought in the South, to the amount of many millions in every year. Upon the principle of the decision in the court below, the manufacturers of the goods and the growers of the cotton would be equally precluded from recovering their dues. What will our fellow-citizens of the South say to this? If, after we have got their cotton, they cannot get their money for it, they will be in no great love, I think, with these new doctrines about the comity of States and Nations.

Again, look at the question as it regards the insurance offices. How are all marine insurances, fire insurances, and life insurances, effected in this country, but by the agency of companies incorporated by the several States? And the insurances made by these companies beyond the limits of their particular States, are they all void? I suppose that the insurances against fire, effected for companies at Hartford, in Connecticut, alone, by agents all over the Northern States, may amount to an aggregate of some millions of dollars. I remember a case occurring in New Hampshire, of a suit against one of those companies for the amount of an insurance, in which a recovery was had against the company; and nothing was said, nor probably thought, of such a contract of insurance being illegal, on the ground that a corporation of Connecticut could not do *an act* or make a contract in New Hampshire. Are those insurances all to be held void, upon the principle of the decision from Alabama?

And as to notes issued by banks: If one in Alabama hold the notes of a bank incorporated by Pennsylvania, are they void? If one be robbed there of such notes, is it no theft? If one counterfeit those notes there, is it no crime? Are all such notes mere nullities, when out of the State where issued?

Reference has been made to the statute-books to show cases in which the States have forbidden foreign insurance companies from making insurances within their limits. But no such prohibition has been shown against insurances by citizens of, or companies created in, the different States. Is not this an exact case for the application of the rule, *Exceptio probat regulam*? The fact of such prohibitory legislation shows that citizens of other States have, and that citizens of foreign Powers had, before they were excluded by law, the *right* to make insurances in any and every one of the States.

Mr. Webster next called the attention of the court to the deposit law, passed by Congress on the 23d of June, 1836. It was (said he) one of the conditions upon which, under that act, any State bank should become a depository of the public money, that it should enter into obligations "to render to the Government all the duties and services heretofore required by law to be performed by the late Bank of the United States, and its several branches or offices;" that is, to remit money to any part of the United States, transfer it from one State to another, &c. But that act required, also, something more; and it shows how little versed we in Congress were (and I take to myself my full share of the shame) in the legal obstacles to the doing of acts in one State by corporations of other States. The first section of that act provides, that, "in those States, Territories, or Districts, in which there are no banks," &c., the Secretary of the Treasury "may make arrangement with a *bank or banks in some other State, Territory, or District, to establish an agency or agencies in the States, Territories, or Districts, so destitute of banks*, as banks of deposit," &c. Here is an express recognition by Congress of the power of a State bank to create an agent for the purpose of dealing as a bank in another State or Territory.

It has been said that, as there is no law of comity, under the law of nations, between the States, it remains for the Legislatures of the several States to adopt, in their conduct towards each other, as much of the principle of comity as they please. Here, then, there is to be negotiation between the States, to determine how far they will observe this law of comity. They are thus required to do precisely what they cannot do. States cannot make treaties nor compacts. A State cannot negotiate. It cannot even hold an Indian talk! And now, I would ask how it happens, at this time of the day, that this court shall be called upon to make a decision contrary to the spirit of the Constitution, and against the whole course of decisions in this country and in Europe, and the undisputed practice under this

Government for fifty years, overturning the law of comity, and leaving it to the States, each to establish *a comity for itself*.

Mr. Webster here took leave of the question of the power of a corporation created by one of the States to make contracts in another.

I now proceed (said Mr. Webster) to consider whether there be any thing in the law or constitution of the State of Alabama which prevents the agent of the Bank of the United States in that State from making such a contract as that which is the foundation of this suit.

It is said that the buying of a bill of exchange by such agent is contrary to the policy of the State of Alabama ; and this is inferred from the law establishing the Bank of Alabama ; that bank being authorized to deal in bills of exchange, and the constitution of the State authorizing the establishment of no other than one bank in the State.

This (said Mr. Webster) is a violent inference.

How does the buying or selling bills of exchange in Alabama, by another purchaser than the Bank of Alabama, infringe her policy ? Because, it is said, it diminishes the profits which she derives from the dealings of the bank. Profit is her policy, it is argued ; gain, her end. Is it against her policy for Mr. Biddle to buy bills, because his bank is incorporated ; and not against her policy for Mr. Girard to buy bills, because his is not incorporated ? Or how far does she carry this policy imputed to her ? Is no one to be allowed to buy or sell bills of exchange in Alabama but a bank of her own, which may or may not be in credit, and may or may not be solvent ? It would be strange, indeed, were any State in this Union to adopt such a policy as this. But, if the argument founded on this inferred policy of Alabama amounts to any thing, it proves, not that incorporated citizens of other States cannot buy or sell bills there, but that it is the policy of Alabama to prevent other citizens from buying bills at all in Alabama.

I think (said Mr. Webster) that there is no just foundation for the inference of any such policy on the part of the State of Alabama. By referring to Aikins's Digest of the laws of that State, it will be found that she has carried her policy a little further than merely the establishing of a bank. Her public officers are authorized to receive the notes of banks of other States in payment of dues to her ; and she has enacted laws to punish the forgery of notes of other banks. Now, taking her acts together, considering them as a whole, the inference which has been drawn from her establishment of a State bank under her constitution is certainly not sustained.

To consider this argument, however, more closely : It is assumed by it, first, that the State meant, by her legislation, to take to herself all the profits of banking within her territorial limits ; and, secondly, that the act of buying and selling a bill of exchange belongs to banking.

The profits of banking are derived more from circulation than from exchange. If the State meant, through her bank policy, to take all the *profits* of banking, why has she not taken all the profits of circulation? Not only she has done no such thing, but she protects the circulation of the notes of banks of other States.

Mr. Webster begged now to ask the particular attention of the court to this question: WHAT IS BANKING?

Alabama, in reference to banking, has done nothing but establish a bank, and give it the usual banking powers. And when the learned counsel on the other side speak of *banking*, what do they mean by it? A bank deals in exchange, and it buys or builds houses also; so do individuals. If there be any thing peculiar in these acts by a bank, it must be not in the nature of the acts individually, but in the aggregate of the whole. What constitutes banking must be something peculiar. There are various acts of legislation by different States in this country for granting or preventing the exercise of banking privileges. But has any law ever been passed to authorize or to prevent the buying by an individual of a bill of exchange? No one has ever heard of such a thing. The laws to restrain banking have all been directed to one end; that is, to repress the unauthorized circulation of paper money. There are various other functions performed by banks; but, in discharging all these, they only do what unincorporated individuals do.

What is that, then, without which any institution *is not* a bank, and with which it *is* a bank? It is a *power to issue promissory notes with a view to their circulation as money*.

Our ideas of banking have been derived principally from the act constituting the first Bank of the United States, and the idea of that bank was borrowed from the Bank of England. [To ascertain the character and peculiar functions of the Bank of England, Mr. Webster here referred, and referred the Court, to various authorities; to McCulloch's Commercial Dictionary; to Smollett's Continuation of Hume's England; to Godfrey's History of the Bank of England, in Lord Somers's Tracts, 11th volume, 1st article; to Anderson's History of Commerce, &c.]

The project of the Bank of England was conceived, Mr. Webster said, by Mr. Paterson, a Scotch gentleman, who had travelled much abroad, and had seen somewhere, (he believed in Lombardy,) a small bank which issued tickets or promises of payment of money. From this he took the idea of a bank of circulation. That was in 1694. At that time, neither inland bills nor promissory notes were negotiable or transferable, so as to enable the holder to bring suit thereon in his own name. There was no negotiable paper, except *foreign* bills of exchange. Mr. Paterson's conception was, that the notes of the Bank of England should be negotiable *toties quoties*, or transferable from hand to hand, payable at the bank in specie, either

on demand, or at very short sight. This conception had complete success, because there was then no other inland paper, either bills or notes, which was negotiable. The whole field was occupied by Bank of England notes. In 1698, inland bills were made negotiable by act of Parliament; and in the fourth year of Queen Anne's reign, promissory notes were made negotiable. Of course, after this, every body might issue promissory notes; and, where they had credit enough, they might circulate as money. There is not much of novelty in the inventions of mankind. Under this state of things, that took place in England which we have seen so often take place among us, and which we have put to the account of modern contrivance. Large companies were formed, with heavy amounts of capital, for purposes not professedly banking; one, especially, to carry on the mining business on a large scale. These companies issued promissory notes, payable on demand, and these notes readily got into circulation as cash, to the prejudice of the circulation of the Bank of England. But, Parliament being at this time in great want of ready money for the expenditures of the war on the continent, the bank proposed to double its capital, and to lend this new half of it to Government, *if Government would secure to the bank an exclusive circulation of its notes.* The statute of the 6th of Anne, chapter 22, was accordingly passed; which recites *that other persons and divers corporations have presumed to borrow money, and to deal as a bank, contrary to former acts;* and thereupon it is enacted, that "*no corporation, or more than six persons in partnership, shall borrow, owe, or take up any money on their bills and notes, payable at demand, or at less than six months from the borrowing.*" This provision has been often reenacted, and constitutes the *banking privilege* of the Bank of England. Competition was not feared from the circulation of individual notes. Hence individuals, or partnerships of not more than six persons, have been at liberty to issue small notes, payable on demand; in other words, notes for circulation. And we know that, in the country, such notes have extensively circulated; but private bankers in London, in the neighborhood of the bank, though it was lawful, have not found it useful, to issue their own notes. So that the *banking privilege* of the Bank of England consisted simply *in the privilege of issuing notes for circulation, while that privilege was forbidden, by law, to all other corporations, and all large partnerships and associations.*

This privilege was restrained, in 1826, so as not to prohibit banking companies, except within the distance of sixty-five miles of London; and, at the same time, notes of the bank were made a tender in payment of all debts, except by the bank itself. This provision may be considered as a new privilege; but it does not belong to the original and essential idea of banking. Mr. McCulloch remarks, and truly, that all that Government has properly to do

with banks is only so far as they are banks of issue. Upon the same principle, the banks of other countries of Europe are incorporated, with the privilege to issue and circulate notes, as their distinctive character. Here Mr. Webster explained the character of the banks of France, Belgium, &c.

Now, how is it in our own country? When our State Legislatures have undertaken to restrain banking, the great end in view has been to prevent the circulation of notes. Mr. Webster here referred to the statute-books of Massachusetts, Maine, Rhode Island, and New Hampshire, for restraining unauthorized companies from issuing notes of circulation. He then turned to the statute of Ohio, imposing a punishment for unauthorized banking. Her law defines, in the first place, what constitutes a bank, viz., the issuing of notes which pass by delivery, and which are intended for circulation as cash. That, said Mr. Webster, is the true definition of a bank, as we understand it, in this country. Mr. Webster referred also to the laws of other States, — Maryland, New Jersey, Missouri, Pennsylvania, Delaware, North Carolina, South Carolina, Virginia, Georgia, — all to the same effect. The law of the State of Alabama herself, said he, is much more important, in this view of the case, than that of any other State. The constitution of the State of Alabama was established in 1819; the law creating the Bank of Alabama was passed in 1823. The constitution and this law are all the authorities from which the inference has been drawn of the policy of the State of Alabama. Did she suppose that, by this law, she was establishing such a monopoly of the purchase of bills of exchange as has been contended for in this case? Certainly not. For, by a law passed afterwards, she restrained the circulation of unauthorized bank notes, that is, notes not issued by *some* authorized banks. But did she, also, restrain dealings in exchange? She did no such thing. Nor is there any thing, either in the constitution or the laws of the State of Alabama, which shows that by banking she ever meant more than the circulation of bills as currency. There is nothing, therefore, in any law, or any policy, of Alabama, against the purchase of bills of exchange by others as well as by the Bank of Alabama. She has prohibited, by law, other transactions which are clearly banking transactions; but she has not touched this. If even her banking policy includes as well buying exchange as circulation, and she guards against competition in the one, and leaves the other open, who can say, in the face of such evidence, that it is her policy to guard against what she leaves free and unrestrained?

Is there any thing in the constitution, or any ground in the legislation of Alabama, to sustain the allegation which has been made of her policy? If not, is the existence of such a policy to be established here by construction, and that construction far-fetched?

Mr. Webster here rested his argument on this case, which, he

said, had been discussed by others so ably as not to justify his occupying the time of the court by going further into it.

The learned counsel on the other side had, in the course of his argument of yesterday, alluded to the newspapers, which, he said, had treated the decision of the court below scornfully. Mr. Webster said he was sorry to hear it; for the learned judge had acted, in his decision, he had no doubt, under a high sense of duty. I have been told, said Mr. Webster, but I have not seen it, that a press in this city, since this case has been under consideration in this court, has undertaken to speak, in a tone something approaching to that of command, of the decision upon it to be expected from this court. Such conduct is certainly greatly discreditable to the character of the country, as well as disrespectful and injurious to the court.

A learned gentleman on the other side said, the other day, that he thought he might regard himself, in this cause, as having the country for his client. He only meant, doubtless, to express a strong opinion that the interest of the country required the case to be decided in his favor. I agree with the learned gentleman, and I go, indeed, far beyond him, in my estimate of the importance of this case to the country. He did not take pains to show the extent of the evil which would result from undoing the vast number of contracts which would be affected by the affirmation here of the judgment rendered in the court below, because his object did not require that: his object was to diminish the prospect of mischief, not to enlarge it. For myself, I see neither limit nor end to the calamitous consequences of such a decision. I do not know where it would not reach, what interests it would not disturb, or how any part of the commercial system of the country would be free from its influences, direct or remote. And for what end is all this to be done? What practical evil calls for so harsh, not to say so rash, a remedy? And why, now, when existing systems and established opinions, when both the law and the public sentiment, have concurred in what has been found, practically, so safe and so useful; why now, and why here, seek to introduce new and portentous doctrines? If I were called upon to say what has struck me as most remarkable and wonderful in this whole case, I would, instead of indulging in expletives, exaggerations, or exclamations, put it down as the most extraordinary circumstance, that now, within a short month of the expiration of the first half century of our existence under this Constitution, such a question should be made; that now, for the first time, and here, for the last place on earth, such doctrines as have been heard in its support should be brought forward. With all the respect which I really entertain for the court below, and for the arguments which have been delivered here on the same side, I must say that, in my judgment, the decision now under revision by this court, is, in its principle, anti-commercial and anti-social, new and unheard-of in our system, and

calculated to break up the harmony which has so long prevailed among the States and People of this Union.

It is not, however, for the learned gentleman, nor for myself, to say, here, that we speak for the country. We advance our sentiments and our arguments, but they are without authority. But it is for you, Mr. Chief Justice and Judges, on this, as on other occasions of high importance, to speak, and to decide, for the country. The guardianship of her commercial interests; the preservation of the harmonious intercourse of all her citizens; the fulfilling, in this respect, of the great object of the Constitution, are in your hands; and I am not to doubt that the trust will be so performed as to sustain, at once, high national objects, and the character of this tribunal.

ADDRESS

AT THE TRIENNIAL CELEBRATION OF THE NATIONAL AGRICULTURAL SOCIETY, OXFORD, ENGLAND, JULY 18, 1839.

IN the spring of 1839, Mr. WEBSTER went to England, for the first time in his life. He went in no public capacity. But his reputation had preceded him, and he was received with every mark of the most distinguished consideration. He was present at several public festivals, and his addresses appear to have made a deep impression on those who heard them. The following is the only one, however, which was reported at any length. It was delivered at the first Triennial Celebration of the National Agricultural Society, held at Oxford, on the 18th of July. Three thousand persons were at table. Earl SPENCER presided, and, in introducing Mr. WEBSTER, said they had "already drunk the health of a foreign minister who was present, but they had the honor and advantage of having among them other foreigners, not employed in any public capacity, who had come among them for the purpose of seeing a meeting of English farmers, such as he believed never had been witnessed before, but which he hoped might often be seen again. Among these foreigners was one gentleman, of a most distinguished character, from the United States of America, that great country, whose people we were obliged legally to call foreigners, but who were still our brethren in blood.

"It was most gratifying to him that such a man had been present at that meeting, that he might know what the farmers of England really were, and be able to report to his fellow-citizens the manner in which they were united, from every class, in promoting their peaceful and most important objects." He gave,

"The health of Mr. WEBSTER, and other distinguished strangers."

The toast was received with much applause.

MR. WEBSTER said the notice which the noble earl at the head of the table had been kind enough to take of him, and the friendly sentiments which he had seen fit to express toward the country to which he belonged, demanded his most cordial acknowledgments. He should therefore begin by saying how gratified he had been in having it in his power to pass one day among the proprietors, the cultivators, the farmers of Old England — that England of which he had been reading and conversing all his life, and now for once had the pleasure of visiting.

He would say, in the next place,—if he could say,—how much he had been pleased and gratified with the exhibition of one product, or branch of product, of that agriculture for which England was so justly distinguished. When persons connected with some pursuit, of whatever description, assembled in such numbers, he could not but look on them with respect and regard; but he confessed at once that he was more than ordinarily moved on all such occasions, when he saw before him a great assemblage of those whose interests, whose hopes, whose objects and pursuits, were connected, on either continent, with the cultivation of the soil.

Whatever else might tend to enrich and beautify society, that which feeds and clothes comfortably the great mass of mankind should always, he contended, be regarded as the great foundation of national interest. He need not say that the agriculture of England was instructive to all the world; as a science, it was here better understood; as an art, it was here better practised; as a great interest, it was here as highly esteemed as in any other part of the globe.

The importance of agriculture to a nation was obvious to every man; but it, perhaps, did not strike every mind so suddenly, although certainly it was equally true, that the annual produce of English agriculture was a great concern to the whole civilized world. The civilized and commercial states were so connected, their interests were so blended, that it was a matter of notoriety, that the fear or the prospect of a short crop in England deranged and agitated the business transactions and commercial regulations and speculations of the whole world.

It was natural that this should be the case in those nations which looked to the occurrence of a short crop in England, as an occasion which may enable them to dispose profitably of their own surplus produce; but the fact went much farther, for when there was such an occurrence in the English capital,—the centre of commercial speculations for the whole world; where the price of commodities was settled and arranged; where the exchanges between nations were conducted and concluded,—its consequences were felt every where, as none knew better than the noble earl who occupied the chair.

Should there be a frost in England fifteen days later than usual,—should there be an unseasonable drought, or ten cold and wet days, instead of ten warm and dry ones, when the harvest should be reaped,—every exchange in Europe and America felt the consequence of it. He would not pursue these remarks. [Loud cries of "Go on, go on."] He must, however, say that he entertained not the slightest doubt of the great advantage to the interest of agriculture which must result from the formation and operation of this society.

Was it not obvious to the most common observer, that those who

cultivated the soil had not the same conveniences, opportunities, and facilities, of daily intercourse and comparison of opinions as the commercial and manufacturing interests? Those who are associated in the pursuits of commerce and manufactures naturally congregated together in cities; they had immediate means of frequent communication. Their sympathies, feelings, and opinions, were instantaneously circulated, like electricity, through the whole body.

But how was it with the cultivators of the soil? Separated, spread over a thousand fields, each attentive to his own acres, they had only occasional opportunities of communicating with each other. If, among commercial men, chambers of commerce and other institutions of that character, — if, among the trades, guilds were found expedient, — how much more necessary and advisable to have some such institutions, which, at least annually, should bring together the representatives of the great agricultural interest!

In many parts of the country to which he belonged, there were societies upon a similar principle, which had been found very advantageous. They had rewards for specimens of fine animals; they had rewards for implements of husbandry supposed to excel those which had been known before. They turned their attention to every thing supposed to facilitate the operations of the farmer, and improve his stock, and interest in the country. Among other means of improving agriculture, they had imported largely from the best breeds of animals known in England.

He knew that a gentleman who had to-day deservedly obtained many prizes for stock, would not be displeased to learn that he had seen along the rich pastures of the Ohio and its tributary streams, animals raised from those which had been furnished by his farms in Yorkshire and Northumberland. But, apart from this subject, he must be allowed to make a short response to the very kind sentiments, which went near to his heart, as uttered by the noble earl at the head of the table.

Their noble chairman was pleased to speak of the people of the United States as kindred in blood with the people of England. I am an American. I was born on that great continent, and I am wedded to the fortunes of my country, for weal or for wo. There is no other region of the earth which I can call my country. But I know, and I am proud to know, what blood flows in these veins.

I am happy to stand here to-day, and to remember, although my ancestors, for several generations, lie buried beneath the soil of the western continent, yet there has been a time when my ancestors and your ancestors toiled in the same cities and villages, cultivated adjacent fields, and worked together to build up that great structure of civil polity which has made England what England is.

When I was about to embark, some friends asked me what I was going to England for. To be sure, gentlemen, I came for no

object of business, public or private ; but I told them I was coming to see the elder branch of the family. I told them I was coming to see my distant relations, my kith and kin of the old Saxon race.

With regard to whatsoever is important to the peace of the world, its prosperity, the progress of knowledge and of just opinions, the diffusion of the sacred light of Christianity, I know nothing more important to the promotion of those best interests of humanity, and the cause of the general peace, amity, and concord, than the good feeling subsisting between the Englishmen on this side of the Atlantic, and the descendants of Englishmen on the other.

Some little clouds have overhung our horizon — I trust they will soon pass away. I am sure that the age we live in does not expect that England and America are to have controversies carried to the extreme, upon any occasion not of the last importance to national interests and honor.

We live in an age when nations as well as individuals are subject to a moral responsibility. Neither government nor people — thank God for it — can now trifle with the general sense of the civilized world ; and I am sure that the civilized world would hold your country and my country to a very strict account, if, without very plain and apparent reason, deeply affecting the independence and great interests of the nation, any controversy between them should have other than an amicable issue.

I will venture to say that each country has intelligence enough to understand all that belongs to its just rights, and is not deficient in means to maintain them ; and if any controversy between England and America were to be pushed to the extreme of force, neither party would or could have any signal advantage over the other, except what it could find in the justness of its cause and the approbation of the world.

With respect to the occasion which has called us together, I beg to repeat the gratification which I have felt in passing a day among such a company, and conclude with the most fervent expression of my wish for the prosperity and usefulness of the Agricultural Society of England.

REMARKS

ON THE AGRICULTURE OF ENGLAND, AT A MEETING OF MEMBERS OF THE LEGISLATURE OF MASSACHUSETTS AND OTHERS INTERESTED IN AGRICULTURE, HELD AT THE STATE-HOUSE IN BOSTON, ON THE EVENING OF JANUARY 13, 1840.

MR. WEBSTER began with stating that he regarded agriculture as the leading interest of society ; and as having, in all its relations, a direct and intimate bearing upon human comfort and the national prosperity. He had been familiar with its operations in his youth ; and he had always looked upon the subject with a lively and deep interest. He did not esteem himself to be particularly qualified to judge of the subject in all its various aspects and departments ; and he neither himself regarded, nor would he have others regard, his opinions as authoritative ; but the subject had been one of careful observation to him, both in public and private life ; and his visit to Europe, at a season of the year particularly favorable for this purpose, had given him the opportunity of seeing its improved husbandry, and as far as it might be interesting, or would have a bearing upon the subject of the evening's discussion, — the agriculture of Massachusetts, — he would, as the meeting appeared to expect, say a few words upon what had attracted his notice.

How far, in a question of this kind, the example of other countries was to be followed, was an inquiry worthy of much consideration. The example of a foreign country might be too closely followed. It would furnish a safe rule of imitation only as far as the circumstances of the one country correspond with those of the other.

The great objects of agriculture, and the great agricultural products of England and of Massachusetts, are much the same. Neither country produces olives, nor rice, nor cotton, nor the sugarcane. Bread, meat, and clothing, are the main productions of both. But, although the great productions are mainly the same, yet there are many diversities of condition and circumstances, and various modes of culture.

The primary elements which enter into the consideration of the agriculture of a country are four — climate, soil, price of land, and price of labor. In any comparison, therefore, of the agriculture of England with that of Massachusetts, these elements are to be taken particularly into view.

The climate of England differs essentially from that of this country. England is on the western side of the eastern, and we on the eastern side of the western, continent. The climate of each country is materially affected by its respective situation in relation to the ocean. The winds which prevail most, both in this country and in England, are from the west; it is known that the wind blows, in our latitude, from some point west to some point east, on an average of years, nearly or quite three days out of four. These facts are familiar. The consequences resulting from them are, that our winters are colder, and our summers much hotter, than in England. Our latitude is about that of Oporto, yet the temperature is very different. On these accounts, therefore, the maturing of the crops in England, and the power of using these crops, creates a material difference between its agriculture and ours. It may be supposed that our climate must resemble that of China in the same latitudes; and this fact may have an essential bearing upon that branch of agriculture which it is proposed to introduce among us — the production of silk.

The second point of difference between the two countries lies in the soil. The soil of England is mainly argillaceous — a soft and unctuous loam upon a substratum of clay. This may be considered as the predominant characteristic in the parts which he visited. The soil in some of the southern counties of England is thinner; some of it is what we should call stony; much of it is a free, gravelly soil, with some small part, which, with us, would be called sandy. Through a great extent of country, this soil rests on a deep bed of chalk. Ours is a granite soil. There is granite in Great Britain; but this species of soil prevails in Scotland — a part of the country which more resembles our own. We may have lands as good as any in England. Our alluvial soils on Connecticut River, and in some other parts of the country, are equal to any lands; but these have not, ordinarily, a wide extent of clay subsoil. The soil of Massachusetts is harder, more granitic, less abounding in clay, and altogether more stony, than the soil of England. The surface of Massachusetts is more uneven, more broken with mountain ridges, more diversified with hill and dale, and more abundant in streams of water, than that of England.

The price of land in that country — another important element in agricultural calculations — differs greatly from the price of land with us. It is three times as high as in Massachusetts, at least.

On the other hand, the price of agricultural labor is much higher in Massachusetts than in England. In different parts of England, the price of labor is considerably various; but it may be set down as twice as dear with us here.

These are the general remarks which have suggested themselves in regard to the state of things abroad. Now, have we any thing

to learn from them? Is there any thing in the condition of England applicable to us, or in regard to which the agriculture of England may be of use to Massachusetts and other countries?

The subject of agriculture, in England, has strongly attracted the attention and inquiries of men of science. They have studied particularly the nature of the soil. More than twenty years ago, Sir Humphry Davy undertook to treat the subject of the application of chemical knowledge to agriculture in the analysis of soils and manures. The same attention has been continued to the subject; and the extraordinary discoveries and advances in chemical science, since his time, are likely to operate greatly to the advantage of agriculture. The best results may be expected from them. These inquiries are now prosecuted in France with great enthusiasm and success. We may hope for like beneficial results here from the application of science to the same objects.

But although the circumstances of climate and situation, and nature of the soil, form permanent distinctions, which cannot be changed, yet there are other differences, resulting from different modes of culture, and different forms of applying labor; and it is to these differences that our attention should be particularly directed. Here, there is much to learn. English cultivation is more scientific, more systematic, and more exact, a great deal, than ours. This is partly the result of necessity. A vast population is to be supported on comparatively a small surface. Lands are dear, rents are high, and hands, as well as mouths, are numerous. Careful and skilful cultivation is the natural result of this state of things. An English farmer looks not merely to the present year's crop. He considers what will be the condition of the land when that crop is off; and what it will be fit for the next year. He studies to use his land so as not to abuse it. On the contrary, his aim is to get crop after crop, and still the land shall be growing better and better. If he would content himself with raising from the soil a large crop this year, and then leaving it neglected and exhausted, he would starve. It is upon this fundamental idea of constant production without exhaustion, that the system of English cultivation, and, indeed, of all good cultivation, is founded. England is not original in this. Flanders, and perhaps Italy, have been her teachers. This system is carried out in practice, by a well-considered rotation of crops. The form or manner of this rotation, in a given case, is determined very much by the value of the soil, and partly by the local demand for particular products. But some rotation, some succession, some variation in the annual productions of the same land, is essential. No tenant could obtain a lease, or, if he should, could pay his rent and maintain his family, who should wholly disregard this. White crops are not to follow one another. White crops are wheat, barley, rye, oats, &c. Our maize, or Indian

corn, must be considered a white crop ; although, from the quantity of stalk and leaf which it produces, and which are such excellent food for cattle, it is less exhausting than some other white crops ; or, to speak more properly, it makes greater returns to the land. Green crops are turnips, potatoes, beets, vetches, or tares, (which are usually eaten while growing, by cattle and sheep, or cut for green food,) and clover. Buck or beech wheat, and winter oats, — thought to be a very useful product, — are regarded also as green crops, when eaten on the land ; and so, indeed, may any crop be considered, which is used in this way. But the turnip is the great green crop of England. Its cultivation has wrought such changes, in fifty years, that it may be said to have revolutionized English Agriculture.

Before that time, when lands became exhausted by the repetition of grain crops, they were left, as it was termed, fallow ; that is, were not cultivated at all, but abandoned to recruit themselves as they might. This occurred as often as every fourth year, so that one quarter of the arable land was always out of cultivation, and yielded nothing. Turnips are now substituted in the place of these naked fallows ; and now land in turnips is considered as fallow. What is the philosophy of this ? The raising of crops, even of any, the most favorable crop, does not, in itself, enrich, but in some degree exhausts, the land. The exhaustion of the land, however, as experience and observation have fully demonstrated, takes place mainly when the seeds of a plant are allowed to perfect themselves. The turnip is a biennial plant. It does not perfect its seed before it is consumed. There is another circumstance in respect to the turnip plant, which deserves consideration.

Plants, it is well understood, derive a large portion of their nutriment from the air. The leaves of plants are their lungs. The leaves of turnips expose a wide surface to the atmosphere, and derive, therefore, much of their subsistence and nutriment from these sources. The broad leaves of the turnips likewise shade the ground, preserve its moisture, and prevent, in some measure, its exhaustion by the sun and air.

The turnips have a further and ultimate use. Meat and clothing come from animals. The more animals are sustained upon a farm, the more meat and the more clothing. These things bear, of course, a proportion to the number of bullocks, sheep, swine, and poultry which are maintained. The great inquiry, then, is, What kind of crops will least exhaust the land in their cultivation, and furnish, at the same time, support to the largest number of animals ?

A very large amount of land, in England, is cultivated in turnips. Fields of turnips of three, four, and even five, hundred acres are sometimes seen, though the common fields are much less ; and it

may be observed here, that in the richest and best cultivated parts of England, enclosures of ten, fifteen, twenty, or thirty acres, seemed more common. Since the introduction of the turnip culture, bullocks and sheep have trebled in number. Turnips, for the reasons given, are not great exhausters of the soil; and they furnish abundant food for animals. Let us suppose that one bushel of oats or barley may be raised at the same cost as ten bushels of turnips, and will go as far in support of stock. The great difference in the two crops is to be found in the farmer's barn-yard. Here is the test of their comparative value. This is the secret of the great advantages which follow from their cultivation. The value of manure in agriculture is well appreciated. M'Queen states the extraordinary fact, that the value of the animal manure annually applied to the crops in England, at current prices, surpasses in value the whole amount of its foreign commerce. There is no doubt that it greatly exceeds it. The turnip crop returns a vast amount of nutritive matter to the soil. The farmer, then, from his green crops, and by a regular system of rotation, finds green feed for his cattle and wheat for the market.

Among the lighter English soils is that of the county of Norfolk — a county, however, which he had not the pleasure to visit. Its soil, he understood, is light, a little inclined to sand, or light loam. Such soils are not unfavorable to roots. Here is the place of the remarkable cultivation and distinguished improvements of that eminent cultivator, Mr. Coke, now earl of Leicester. In these lands, he understood, a common rotation is turnips, barley, clover, wheat. These lands resemble much of the land in our county of Plymouth, and the sandy lands to be found in the vicinity of the Connecticut and Merrimack Rivers. The cultivation of green crops in New England deserves attention. There is no incapacity in our soil; and there are no circumstances unfavorable to their production. What would be the best kind of succulent vegetables to be cultivated, whether turnips or carrots, he was not prepared to say. But no attempts, within his knowledge, had been made among us of a systematic agriculture; and, until we enter upon some regular rotation of crops, and our husbandry becomes more systematic, no distinguished success can be looked for. As to our soil, as had been remarked, there is no inherent incapacity for the production of any of the common crops. We could raise wheat in Massachusetts. The average crop in England is twenty-six bushels to the acre. From his own farm — and it was comparatively a thin and poor soil — he had obtained, this summer, seventy-six bushels of wheat upon three acres of land. It is not, therefore, any want of capability in the soil; but the improvement and success of our husbandry must depend upon a succession of crops adapted to the circumstances of our soil, climate, and peculiar condition.

In England, a large portion of the turnip crop is consumed on the land where it grows. The sheep are fed out of doors all winter; and he saw many large flocks, thousands and millions of sheep, which were never housed. This was matter of surprise, especially considering the wetness of the climate; and these sheep were often exposed in fields where a dry spot could not be found for them to lie down upon. Sheep were often folded, in England, by wattled fences, or hurdles, temporarily erected in different parts of the field, and removed from place to place, as the portions of the crop were consumed. In some cases they were folded, and the turnips dug and carried to them. In such case, they were always fed upon lands which were intended the next year to be, as far as practicable, brought under cultivation. He had seen many laborers in fields, employed in drawing the turnips, splitting them, and scattering them over the land, for the use of the sheep, which was considered better, often, than to leave the sheep to dig for themselves. These laborers would be so employed all winter, and if the ground should become frozen, the turnips are taken up with a bar. Together with the turnips, it is thought important that sheep should have a small quantity of other food. Chopped hay, sometimes a little oil cake, or oats, is usually given. This is called *trough* food, as it is eaten in troughs, standing about in the field. In so moist a climate as that of England, some land is so wet, that, in the farmer's phrase, it will not *carry sheep*; that is, it is quite too wet for sheep to lie out upon it. In such cases, the turnips must be *carried*, that is, removed from the field, and fed out elsewhere. The last season was uncommonly wet, and for that reason, perhaps, he could not so well judge; but it appeared to him it would be an improvement in English husbandry, to furnish for sheep, oftener than is done, not only a tolerably dry ground to lie on, but some sort of shelter against the cold rains of winter. The turnips, doubtless, are more completely consumed, when dug, split, and fed out. The Swedish turnip, he had little doubt, was best suited to cold climates. It was scarcely injured by being frozen in the ground in the winter, as it would thaw again, and be still good in spring. In Scotland, in the Lothians, where cultivation is equal to that in any part of England, it is more the practice than farther south, to house turnips, or draw them, and cover them from frost. He had been greatly pleased with Scotch farming, and as the climate and soil of Scotland more resembled the soil and climate of Massachusetts, than those of England did, he hoped the farmers of Massachusetts would acquaint themselves, as well as they could, with Scotch husbandry. He had had the pleasure of passing some time in Scotland, with persons engaged in these pursuits, and acknowledged himself much instructed by what he learned from them, and saw in their company. The great extent of the use of



turnips, and other green crops, in Scotland, is evidence that such crops cannot be altogether unsuited to Massachusetts.

Mr. Webster proceeded to state, that one of the things which now attracted much attention among agriculturists in England, was the subject of tile-draining. This most efficient and successful mode of draining is getting into very extensive use. Much of the soil of England, as he had already stated, rested on a clayey and retentive subsoil. Excessive wetness is prejudicial and destructive to the crops. Marginal drains, or drains on the outside of the fields, do not produce the desired results. These tile-drains have effected most important improvements. The tile itself is made of clay, baked like bricks; about one foot in length, four inches in width, three fourths of an inch in thickness, and stands from six to eight inches in height, being hemispherical, or like the half of a cylinder, with its sides elongated. It resembles the Dutch tiles sometimes seen on the roofs of the old houses in Albany and New York. A ditch is sunk eighteen or twenty inches in depth, and these drains are multiplied, over a field, sometimes at a distance of only seven yards apart. The ditch, or drain, being dug, these tiles are laid down, with the hollow side at bottom, on the smooth clay, or any other firm subsoil, the sides placed near to each other, some little straw thrown over the joints to prevent the admission of dirt, and the whole covered up. This is not so expensive a mode of draining as might be supposed. The ditch, or drain, need only be narrow, and tiles are of much cheaper transportation than stone would be. But the result is so important as well to justify the expense. It is estimated that this thorough draining adds often twenty per cent. to the production of the wheat crop. A beautiful example came under his observation in Nottinghamshire, not long before he left England. A gentleman was showing him his grounds for next year's crop of wheat. On one side of the lane, where the land had been drained, the wheat was already up, and growing luxuriantly; on the other, where the land was subject to no other disadvantage than that it had not been drained, it was still too wet to be sowed at all. It may be thought singular enough, but it was doubtless true, that on stiff, clayey lands, thorough draining is as useful in dry, hot summers, as in cold and wet summers; for such land, if a wet winter or spring be suddenly followed by hot and dry weather, is apt to become hard and baked, so that the roots of plants cannot enter it. Thorough draining, by giving an opportunity to the water on the surface to be constantly escaping, corrects this evil. Draining can never be needed to so great an extent in Massachusetts, as in England and Scotland, from the different nature of the soil; but we have yet quantities of low meadow lands, producing wild, harsh, sour grasses, or producing nothing, which, there is little doubt, might be

rendered most profitable hay-fields, by being well drained. When we understand better the importance of concentrating labor, instead of scattering it, — when we shall come to estimate, duly, the superior profit of “a little farm well tilled,” over a great farm, half cultivated and half manured, overrun with weeds, and scourged with exhausting crops, — we shall then fill our barns, and double the winter feed for our cattle and sheep by the products of these waste meadows.

There was in England another mode of improvement, most important, instances of which he had seen, and one of which he regarded as the most beautiful agricultural improvement which had ever come within his observation. He meant irrigation, or the making of what is called *water meadows*. He had first seen them in Wiltshire, and was much struck with them, not having before understood, from reading or conversation, exactly what they were. But he had afterwards an opportunity of examining a most signal and successful example of this mode of improvement, on the estates of the duke of Portland, in the north of England, on the borders of Sherwood forest. Indeed, it was part of the old forest. Sherwood forest, at least in its present state, is not like the pine forests of Maine, the heavy, hard wood forests of the unredeemed lands of New Hampshire and Vermont, or the still heavier timbered lands of the West. It embraces a large extent of country, with various soils, some of them thin and light, with beautiful and venerable oaks, of unknown age, much open ground between them and underneath their wide-spread branches, and this covered with heather, lichens, and fern. As a scene to the eye, and to the memory, by its long existence and its associations, it is beautiful and interesting. But in many parts, the soil is far enough from being rich. Upon the borders of this forest are the water meadows of which he was speaking. A little river ran through the forest in this part, at the bottom of a valley, with sides moderately sloping, and of considerable extent, between the river at the bottom and the common level of the surrounding country above. This little river, before reaching the place, ran through a small town, and gathered, doubtless, some refuse matter in its course. From this river, the water was taken, at the upper end of the valley, conducted along the edge, or bank, in a canal or carrier, and from this carrier, at proper times, suffered to flow out, very gently, spreading over and irrigating the whole surface, trickling and shining, when he saw it, (and it was then November,) among the light-green of the new-springing grass, and collected below in another canal, from which it was again let out, to flow in like manner over land lying still farther down towards the bottom of the valley. Ten years ago, this land, for production, was worth little or nothing. He was told that some of it had been let for no more than a shilling an acre. It has not been manured, and yet is now most extensively productive. It is not flooded; the water does not stand upon it; it flows gently over it, and is applied,

several times in a year, to each part, say in March, May, July, and October. In November, when he saw it, the farmers were taking off the third crop of hay cut this season, and that crop was certainly not less than two tons to the acre. This last crop was mostly used as green food for cattle. When he spoke of the quantity of tons, he meant tons of dried hay. After this crop was off, sheep were to be put on it, to have lambs at Christmas, so as to come into market in March, a time of year when they command a high price. Upon taking off the sheep, in March, the land would be watered, the process of watering lasting two or three days, or perhaps eight or ten days, according to circumstances, and repeated after the taking off of each successive crop. Although this water has, no doubt, considerable sediment in it, yet the general fact shows how important water is to the growth of plants, and how far, even, it may supply the place of other sources of sustenance. Now, we in Massachusetts have a more uneven surface, more valleys with sloping sides, by many times more streams, and such a climate that our farms suffer much oftener from drought than farms in England. May we not learn something useful, therefore, from the examples of irrigation in that country?

With respect to implements of husbandry, Mr. Webster was of opinion that the English, on the whole, had no advantage over us. Their wagons and carts were no better; their ploughs, he thought, were not better any where, and in some counties far inferior, because unnecessarily heavy. The subsoil plough, for which we have little use, was esteemed a useful invention, and the mole plough, which he had seen in operation, and the use of which was to make an underground drain, without disturbing the surface, was an ingenious contrivance, likely to be useful in clay soils, free from stone and gravel, but which could be little used in Massachusetts. In general, he thought the English utensils of husbandry were unnecessarily cumbrous and heavy. The ploughs, especially, required a great strength of draught. But as drill husbandry was extensively practised in England, and very little with us, the various implements, or machines, for drill sowing, in that country, quite surpass all we have. He did not remember to have seen the horse-rake used in England, although he had seen in operation implements for spreading hay, from the swath, to dry, or rather, perhaps, for turning it, drawn by horses.

There were other matters connected with English agriculture, upon which he might say a word or two. Crops were cultivated in England, of which we knew little. The common English field bean, a small brown bean, growing, not on a clinging vine, like some varieties of the taller bean, ran in what is called, with us, the bush form, like our common white bean, upon a slight, upright stalk, two or two and a half feet high, and producing from twenty to forty bushels to the acre. It is valuable as food for animals, especially

for horses. This bean does not grow well in thin soils, or what is called a hot bottom. A strong, stiff, clayey land, well manured, suits it best. Vetches, or tares, a sort of pea, was very much cultivated in England, although almost unknown here, and is there either eaten green, by sheep, on the land, or cut and carried for green food.

The raising of sheep, in England, is an immense interest. England probably clips fifty millions of fleeces this year, lambs under a year old not being shorn. The average yield may be six or seven pounds to a fleece. There are two principal classes of sheep in England — the long wooled and the short wooled. Among these are many varieties, but this is the general division, or classification. The Leicester and the South Down belong, respectively, to these several families. The common clip of the former may be estimated from seven to eight pounds; and of the last, from three to three and a half, or four. Mr. Webster mentioned these particulars only as estimates; and much more accurate information might, doubtless, be obtained from many writers. In New England, we were just beginning to estimate rightly the importance of raising sheep. England had seen it much earlier, and was pursuing it with far more zeal and perseverance. Our climate, as already observed, differs from that of England; but the great inquiry, applicable in equal force to both countries, is, How can we manage our land in order to produce the largest crops, while, at the same time, we keep up the condition of the land, and place it, if possible, in a course of gradual improvement? The success of farming must depend, in a considerable degree, upon the animals produced and supported on the farm. The farmer may calculate, in respect to animals, upon two grounds of profit — the natural growth of the animal, and the weight obtained by fattening. The skilful farmer, therefore, expects, where he gains one pound in the fattening of his animal, to gain an equal amount in the growth. The early maturity of stock is consequently a point of much importance.

Oxen are rarely reared in England for the yoke. In Devonshire and Cornwall, ox teams are employed; but in travelling one thousand miles in England, Mr. Webster saw only one ox team, and here they were driven one before the other, and in harnesses similar to the harnesses of horses. Bullocks are raised for the market. It is highly desirable, therefore, both in respect to neat cattle and sheep, that their growth should be rapid, and their fattening properties favorable, that they may be early disposed of, and consequently the expense of production lessened.

Is it practicable, on the soil and in the climate of Massachusetts, to pursue a succession of crops? He could not question it; and he had entire confidence in the improvements to our husbandry, and the great advantages which would accrue from judicious

rotation of products. The capacities of the soil of Massachusetts were undoubted. One hundred bushels of corn to an acre had been repeatedly produced, and other crops in like abundance. But this would not effect the proper ends of a judicious and profitable agriculture, unless we could so manage our husbandry that, by a judicious and proper succession of crops, the land would not only be restored after an exhausting crop, but gradually enriched by cultivation. It is of the highest importance that our farmers should increase their power of sustaining live stock, that they may therefrom obtain the means of improving their farms.

The breed of cattle in England was greatly improved, and still improving. He had seen some of the best stocks, and many individual animals from others, and thought them admirable. The short-horned cattle brought to this country were often very good specimens. He said he had seen the flocks from which some of them had been selected, and they were certainly among the best in England. But in every selection of stock, we are to regard our own climate, and our own circumstances. We raise oxen for work, as well as for beef; and he was of opinion that the Devonshire stock furnished excellent animals for our use. We had suffered that old stock, brought hither by our ancestors, to run down, and be deteriorated. It had been kept up, and greatly improved, in England, and we might now usefully import from it. The Devonshire ox is a hardy animal, of size and make suited to the plough, and though certainly not the largest for beef, yet generally very well fattened. He thought quite well, also, of the Ayrshire cows. They were good milkers, and being a hardy race, were, on that account, well suited to the cold climate, and to the coarse and sometimes scanty pasturage, of New England. After all, he thought there could be no doubt that the improved breed of short horns were the finest cattle in the world, and should be preferred wherever plenty of good feed and some mildness of climate invited them. They were well fitted to the Western States, where there is an overflowing abundance, both of winter and summer feed, and where, as in England, bullocks are raised for beef only. He had no doubt, also, that they might be usefully raised in the rich valleys of the Connecticut, and perhaps in some other favored parts of the State. But, for himself, as a farmer on the thin lands of Plymouth county, and on the bleak shores of the sea, he did not feel that he could give to animals of this breed that entertainment which their merit deserved.

As to sheep, the Leicester were like the short-horned cattle. They must be kept well; they should always be fat; and, pressed by good keeping to early maturity, they are found very profitable. "Feed well," was the maxim of the great Roman farmer, Cato; and that short sentence comprises much of all that belongs to the profitable economy of live stock. The South Downs are a good

breed, both for wool and mutton. They crop the grass that grows on the thin soils, over beds of chalk, in Wiltshire, Hampshire, and Dorsetshire. They ought not to scorn the pastures of New England.

When one looks, said Mr. Webster, to the condition of England, he must see of what immense importance is every, even the smallest, degree of improvement in its agricultural productions. Suppose that, by some new discovery, or some improved mode of culture, only one per cent. could be added to the annual results of English cultivation; this, of itself, would materially affect the comfortable subsistence of millions of human beings. It was often said that England was a garden. This was a strong metaphor. There was poor land, and some poor cultivation, in England. All people are not equally industrious, careful, and skilful. But, on the whole, England was a prodigy of agricultural wealth. Flanders might possibly surpass it. He had not seen Flanders; but England quite surpassed, in this respect, whatever he had seen. In associations for the improvement of agriculture, we had been earlier than England. But such associations now exist there. He had the pleasure of attending the first meeting of the National Agricultural Society, and he had found it a very pleasant and interesting occasion. Persons of the highest distinction for rank, talents, and wealth, were present, all zealously engaged in efforts for the promotion of the agricultural interest. No man in England was so high as to be independent of the success of this great interest; no man so low as not to be affected by its prosperity, or its decline. The same is true, eminently and emphatically true, with us. Agriculture feeds us; to a great degree it clothes us; without it we could not have manufactures, and we should not have commerce. These all stand together, but they stand together like pillars in a cluster, the largest in the centre, and that largest is agriculture. Let us remember, too, that we live in a country of small farms and freehold tenements; a country in which men cultivate with their own hands their own fee-simple acres, drawing not only their subsistence, but also their spirit of independence, and manly freedom, from the ground they plough. They are at once its owners, its cultivators, and its defenders. And, whatever else may be undervalued, or overlooked, let us never forget that the cultivation of the earth is the most important labor of man. Man may be civilized, in some degree, without great progress in manufactures, and with little commerce with his distant neighbors. But without the cultivation of the earth, he is, in all countries, a savage. Until he steps from the chase, and fixes himself in some place, and seeks a living from the earth, he is a roaming barbarian. When tillage begins, other arts follow. The farmers, therefore, are the founders of human civilization.

REMARKS

IN THE SENATE OF THE UNITED STATES, MARCH 3, 1840, IN
ANSWER TO SOME PARTS OF MR. CALHOUN'S SPEECH.

MR. WEBSTER said it was not his purpose, at present, to enter far into the wide field of debate which was opened by this discussion. Another opportunity would probably present itself for the expression of his opinions upon the general state of the country, and the measures which he thought to be called for by the crisis. My single purpose now, said Mr. Webster, is to make a few remarks upon the speech of the honorable member from South Carolina, delivered some days ago, or, rather, upon some of the topics of that speech. I had not the pleasure of hearing the speech, but I have read it attentively, with the respect due to the subject and to the author; and the remarks which I propose to make upon it I desire to address to the honorable member himself, and his friends who think with him, as well as to the rest of the country. It is an able speech, showing much thought and reflection, as well as much acuteness, and exhibiting, on the whole, a spirit apparently not unkind towards all the great interests of the country. My remarks shall be in the same spirit.

I. In treating of protection, or protecting duties, the first proposition of the honorable member is, that all duties laid on imports really fall on exports; that they are a toll paid for going to market. This, certainly, is not very obvious; but he says it is the received and settled doctrine of the South. He does not argue the point on this occasion; he only states it as the fixed belief of the South. I shall not argue it, but content myself with saying that I have never been able to agree to this doctrine. The question was debated with much ability, some years ago, between my honorable colleague and a distinguished gentleman from South Carolina—both being, at that time, members of the other House. The South Carolina doctrine was then called the “Forty-bale Theory;” and the result of the discussion certainly left most of us in the North still adhering to the old doctrine, viz., that when duties are laid upon imported articles, it is the consumer who pays; and, of course, that each part of the country pays in exact proportion to what it consumes. We think that the trade outwards has little or nothing to do with the subject. We think the substantial question is, Who consumes the

taxed article? I can, indeed, conceive a possible case in which this general truth might be qualified. If one country exported to another a raw material which it could sell nowhere else, and which no other country could furnish, why, then, so far as duties on imports affected the sale of fabrics manufactured from that raw material, or, perhaps, other articles imported into the country producing it as its equivalent in return, so far it might be true that the duties would have an influence to check exportation. But no such case exists with us. The South and the West sell their cotton both at home and abroad. But they are not the sole producers of cotton. They have competitors. There is a market on both continents; and in one of them they find the cotton of South America, Texas, India, and Egypt, in a struggle for prices with their own. Our Southern and Western States have a fair demand; nothing obstructs their sales; as in all other cases, the prices are regulated by the supply and the demand. They pay no duty on going out, and if they can produce as cheaply as others, they can afford to sell as cheap. Their commodity, sold in foreign markets, mingles with the commerce of the world. They have received their price for it, and their connection with it has ceased. Whether it comes back here in a manufactured shape, or goes elsewhere, is no matter to them, as mere raisers and sellers of the article. If any portion of it comes back here,—as doubtless it does,—it is a portion which has been purchased in the general market of Europe, manufactured, and, perhaps, mixed, in the very process, with the cotton of other countries, and reaches our shores as a foreign article for sale. Foreign labor and skill have become incorporated with it, and constitute its chief value. At our custom-house, it is made subject to a duty, which is supposed to raise its price; and, it seems to me, if this be the effect of the duty, it is its whole effect. It reaches no farther. I do not see how it acts back upon the original grower of the article in South Carolina. It no more affects the cotton-grower in South Carolina, except so far as he is a consumer, than it affects the cotton-grower in South America, India, or Egypt. The thread of causes and effects in this case, if there be any such thread, becomes quite too fine and attenuated to be felt or followed, from the higher price paid by the consumer, in consequence of the duty, back, through all the intermediate stages, to the influence of that higher price upon the original cost of the raw material. The same is true in regard to all imported articles not produced from the exported cotton. How is it possible to say that duties on such articles—iron and woollen cloths, for instance—are a burden or discouragement on the raising of cotton?

But suppose I admit the South Carolina doctrine—suppose I admit that duties on imported merchandise really fall back, and become a charge on the exports of the country; and suppose I admit, what

is true, that cotton grown in the Southern States constitutes a great portion of our exports—it does by no means follow from all this that the burden of these duties falls on the South, in proportion to the exports which leave its ports. And the reason is this: These exports are not altogether the result of the skill, labor, or capital, of the South. Cotton, though it grows exclusively on Southern fields, is not, in truth, a mere Southern product. Much of the labor of the Middle and Northern States has mingled with it before it becomes an article of export. It is a joint production, to which many parts of the country contribute. The grain-growing States north of the Ohio help to raise and to export cotton, by furnishing provisions to those who cultivate and gather it. Kentucky and Tennessee do the same thing, by the cattle, horses, mules, and swine, upon the foot, which they supply for the use of the cotton plantations. New England does the same by the furniture, clothing, and other manufactured articles, which she supplies for the like purpose. All these contribute to this export of cotton. So that, if it were true that duties at the custom-house on imported goods are a tax on exports, that tax would not fall exclusively on the South.

The value of this export, again, in the foreign market, is enhanced by the cost of transportation. Freight has become incorporated with it, and makes part of its price. At present prices, freight to Europe is probably equal to one eighth of the cost of the article at New Orleans or Mobile. This freight is a Northern earning; and to this extent, therefore, the navigating interest contributes to the value of the exported article. So that duties, if they were a tax on exports, would not fall exclusively on the South, but would affect the grain-growing, the provision-raising, the stock-raising, the hemp-raising, the manufacturing, and the navigating interests.

But the more we trace this branch of the business of the country, or any other, through all its processes, and all its ramifications, the more clearly we shall see, I think, that the old rule is the true rule, and that duties on imported goods are paid by different parts of the country, exactly in proportion to their consumption.

II. Another opinion of the honorable member is, that increased production brings about expansion of the currency, and that every such increase makes a further increase necessary.

His idea is, that if some goods are manufactured at home, less will be imported; if less goods be imported, the amount of exports still keeping up, the whole export being thus not paid for by the import, specie must be brought in to settle the balance; that this increase of specie gives new powers to the banks to discount; that the banks thereupon make large issues, till the mass of currency become redundant and swollen; that this swollen currency aug-

ments the price of productions, in our own manufactories, and makes it necessary to raise still higher the prices of their products; and this creates a demand for the imposition of new duties. This, as I understand it, is the honorable member's idea.

Now, it appears to me that there are several things worthy of consideration, in regard to this supposed course and progress of things.

In the first place, it is far from being always true that importations fall off in consequence of carrying on some branches of manufacture at home. Our history certainly shows no such result, looking through the whole of it, for twenty years. If there be a large export, the return, if not made in one article, will generally be made in some other. It will usually happen in some way that, taking all branches of the trade of the country with all other countries together, the imports, in a series of years, will be about equal to the amount of exports, and the earnings of freights. We have now a list of free articles, of some of which the importations have been not only large, but extravagant; quite large enough, at any rate, to absorb exports; and quite too large, in my opinion, for the good of the country.

The gentleman very properly admits that specie cannot, for a great length of time, set towards our country, from all others, to settle balances of trade, and to make up the deficiency of imports in relation to exports. Specie does, indeed, come to pay up an occasional balance in the trade between a particular country and the rest of the world, and it soon goes away again, to supply a deficiency in the place it came from, or some other place. There are vibrations in trade, and gold and silver correct these vibrations. But there are other causes, which sometimes operate with more violence. Disorders in the currency, and expected short crops, a political crisis, the fear of war, a panic of any kind,—any of these things is able to disturb the natural course of commercial dealings, and to arrest gold and silver, while they are peaceably performing the common functions of trade. Hence, if we see a very large import of specie in any one year, it does not necessarily follow that our imports have, to that extent, fallen short of our exports. This import of specie may be owing to one or more of the extraneous causes above mentioned; and in not alluding to these causes, I cannot but think the gentleman overlooked a matter very important to be observed. In our trade with some particular countries, too, the return is in specie in a very great proportion. And as this trade is very irregular, the quantities of specie received from it in different years are very unequal. Thus, in 1833, the whole import of specie into the country was *seven* millions; the next year, 1834, it was *seventeen* millions. In 1836, it was *thirteen* millions; in 1837, it fell to *ten* millions; and in 1838, rose up again to *seventeen*

millions. Such fluctuations find no corresponding alternations, certainly, in the general balance between exports and imports. The general truth is undeniable, that the tendency of gold and silver, in the ordinary operations of commerce, is to flow to that country which has become a creditor country by the excess of its exports over its imports; but then their general tendency is so often diverted or arrested by the interference of other causes, that the amount of importation or exportation of specie for a given year, is not a criterion by which the balance of trade, or the amount of exports compared with imports for that year, can be decided.

A great portion of the specie imported into the United States comes from South America and Cuba, by way of New Orleans and other ports, and is the return for provisions, and more largely for manufactured articles, shipped to those countries. This fact is important, and deserves consideration in acting upon all subjects of this kind. It is undoubtedly true that the manufactures of the country bring into it a large supply of specie from South America and the West Indies.

The honorable gentleman, in maintaining his proposition that protection leads to an expansion of the currency, argues that the tariff of 1828 turned the balance of foreign trade in our favor; that this brought in specie; that the like cause turned the domestic trade in favor of the manufacturing States; and that the expansion of circulation, of which he exhibits tables, in those States, is thus distinctly traced to the effect of protection, as tending to bring gold and silver into the country. But all this, I think, admits of doubt. *Post hoc, ergo propter hoc*, is not received as good logic. It strikes me, this import of silver, and, therefore, the expansion, so far as it resulted from that import, is quite as likely to be referable to the other causes which I have already mentioned. The specie, it is said, was collected in masses in the North, and there the currency was expanded. But was it not expanded, too, in the South? The gentleman's tables only show four or five Northern States; but how was it, and how is it, in the cotton-growing States? Has there been no expansion in Mississippi, Alabama, or less expansion in those States than in Massachusetts and Rhode Island? It will be found, I think, that there was the least expansion just where it is said the specie was thus brought in by the course of trade.

The next stage in the gentleman's argument is, that this supposed expansion of the currency would increase the cost of producing manufactured articles at home. How increase the cost? In no way but by increasing the price of labor. Now, I do not learn from him any facts showing that labor rose, *greatly*, in price, after the tariff of 1828. If it kept up to what it had been, I incline to think that was all. The object, and, I think, the effect, of the tariff of 1828, was not so much to raise prices high, as it was to

keep the market steady, to give some check to the extravagant amount of foreign importations, and some security that labor should receive a reasonable reward. That is all that was asked. But the great abundance of capital abroad, the low rate of interest, and the great sacrifices, which were willingly made, for the purposes of prostrating our establishments, called for some security and protection, or we were not likely to be able to maintain competition. And we are always to remember that, when our own manufactures shall be prostrated by the extremely low prices of imported goods, then we shall be obliged immediately to pay extremely high prices for those same imported goods. The fact undoubtedly is, that, under the process of protection, the common price or cost of goods has become less. No one can deny that. Every body knows that goods are better and cheaper. A man's labor will buy more for him than it would. This is the effect of competition. If we take out of the market the products of our own labor, who does not see that prices would rise enormously? Let this be tried on any article. Take away, for instance, all American-made hats and shoes; would not the article be immediately doubled in price? Reasonable protection does not so much raise the price of labor, although it should raise it in some degree, as it diverges its uses, and multiplies its employments. It prevents any particular channel from being filled and choked up. One of the secrets of prosperity is, that there shall be a considerable variety in the pursuits and labors of men. I fear our Southern friends do not feel the full influence of this important truth. For my part, as a well-wisher to the South, I should be glad to know that there were manufactures, such as were suited to their wants, the value of their labor, and their general condition, in every county, from this place to the Gulf of Mexico.

There is still another point of view in which I wish to present the question to the consideration of the honorable gentleman. Suppose the Southern States to produce, every year, the same quantity of cotton. If more be manufactured at home, less will be exported. Now, the honorable member seems to me to reason as if the whole true object or interest of the South was *to export*. But certainly this cannot be so. The object and interest of the cotton-growing States is *to sell*, not *to export*. If they find a customer at home who pays a good price, their object is answered. The true question, therefore, in this respect, is, not whether they export as much, but whether they sell as much, and at as good prices; and unless all the rules of trade are false, the fact of there being two markets for the sale of a commodity, instead of one, tends strongly to keep up, and to keep steady, the price of the article to be sold.

III. There is a third general idea of the honorable gentleman, upon which I would make a few observations.

It is, that the South and West are the great consumers of the products of the manufacturers of the North and East; that the capacity of the South to consume depends on her great staples; and that the sale of these depends mainly on a foreign market.

Now, I have already said that if the South can sell her cotton, or part of it, to New England, for the same prices, it is as well for her as to sell it all to Old England. Her income depends on the price, not on the place of sale. If an export of sixty millions is reduced to an export of forty millions, in consequence of there having been found a market at home for twenty millions, it is not only no worse for the South, but is, in truth, much better. This is perfectly plain; and I must confess it has always appeared to me to be the strangest thing in the world that our Southern friends should look with jealousy and ill-will on a market rising up in the North and East for their own great staple; thus not only giving them the general advantage of another large market,—which advantage is itself always great,—but giving them the additional advantage of a nearer market, and a more certain and steady market, because not so liable to be disturbed either by the political events or the commercial contingencies of Europe. I have inquired much into this subject, and I find that intelligent merchants in New Orleans and Mobile regard the home market as of very great importance to the cotton-planter. The Eastern demand, they say, comes in early, takes away the first part of the crop, and helps, therefore, to fix the price, and to fix it high. Some have estimated this advantage as equivalent to two cents on the pound of cotton. All must see, I think, that it is a clear and great advantage, and I wish the subject might be calmly considered and weighed by the honorable member from South Carolina and his friends.

But, at any rate, the fact that some portion of her annual product, instead of being exported, is sold at home, cannot possibly diminish the capacity of the South to buy and consume the manufactured articles of the East, or any other articles. The cotton-planter sends his crop to New York; it is there sold, and all at the same price. How does it affect his income, or his ability to purchase what he wants,—whether all his cotton, so sold, be sent to Europe, or part of it carried to be manufactured in Massachusetts?

But, now, look to the other side. Of what consequence is it to the North and East that the South is able to buy their productions, if overwhelming importations from abroad render them unable to sustain competition? If the cheaper labor of Europe underbids them in every thing,—if these frequent inundations of foreign commodities break up their establishments,—how are they benefited by the ability of the South to buy and consume? So that, turn it as we will, it all comes back to the steady price and security of

labor. And all the theories lately started, and pressed with so much earnestness, go directly and necessarily to one point; and that is, the reduction of the price of labor. On this I might say much, but, at present, will confine myself to one or two remarks.

In the first place, when labor is employed, labor can consume; when it is not employed, it cannot consume. Who buys the pork and the lard of the North-Western States? Who takes the corn of North Carolina and Virginia, and the flour of the latter State? Is it not the North and the East? Virginia and Carolina have no better customer than Massachusetts. To say nothing of the amount of naval stores received from North Carolina, and used by the navigating interest of the East, let me only refer to bread stuffs. Two millions of bushels of corn, and four hundred thousand barrels of flour, have been imported into the single city of Boston in one year. Most of this corn is from North Carolina and Virginia, and much of the flour from Virginia. I find it has been estimated that upwards of *six millions of dollars* have been paid by Massachusetts for bread stuffs imported in a single year. All this is consumed and paid for by employed labor. Take away employment from our labor, or drive it from its accustomed pursuits, and its power of consumption is at an end.

But not only does the protection of labor in the North and East enable it to buy the products of the South, but all protection of labor increases general consumption. Hence we find that the manufacture of many useful articles at home does not diminish the aggregate amount of importations. This is a very important truth, and all our history confirms it. I have looked at the tables of exports and imports, from the very first origin of this Government, and I do not find any thing to countenance the idea that imports, in the aggregate, fall off in consequence of protecting labor at home. There were quite as great fluctuations forty or forty-five years ago, as there have been since the tariff of 1824. A well-employed and prosperous community can buy and consume. An ill-employed community cannot buy and consume. This is the solution of the whole matter, and the whole science of political economy has not one truth of half so much importance as this.

One word more. The experiment of low wages has been often tried. We see it going on now in Asia and many parts of Europe. My colleague has recently given us a list of the prices of labor in various countries. We know what those countries are, and what the condition of the people is.

On the other hand, we have tried the experiment of high wages; and have we not made the best condition of society, for the general happiness of all classes, that has ever existed upon the face of the earth?

IV. A fourth sentiment of the honorable member is, that the

removal of all duties increases the exportation of articles manufactured at home. I cannot conceive how this can be true. If foreigners can beat us in our own market, they can beat us elsewhere. The exports of domestic articles, in the years stated in the tables which the honorable gentleman has read, are not at all referable, I think, to any such cause as he supposes; that is to say, some natural cause necessarily producing such a result. The truth is, that prices fell, at that time, in consequence of excessive importations from Europe, and the holders of our own manufactured goods were obliged to get rid of them, by exportation or otherwise, in the best manner they could. It is known that our exports of manufactured articles have been very variable and irregular. When importations have been great, and prices become reduced, then exportation has taken place. Our manufacturers have, in many instances, shown much skill in the fabrication of articles suited to foreign markets. For a while, they have been successful, in some degree; but the English have always been ready to imitate them, and profit by their example. If a particular article, manufactured in the United States, has been found capable of being sold to a profit in the Mediterranean, in South America, in India, or in China, the English manufacturer has immediately set himself to work to produce a similar article, and to drive the American article out of the market, by a like article afforded at a lower price, because the result of cheaper labor. These English articles have been sold as *American* products. The stamp of "Lowell," and "Tremont Mills," or "Lawrence Mills," has been found in Asia, and in South America, on articles manufactured at Manchester.

V. Finally, the honorable member is of opinion that the whole system of protection was prostrated, and is prostrated, cut up, root and branch, and exterminated forever, by the State interposition of South Carolina. He has often expressed this opinion before. I only take notice of it now, as he has expressed it very strongly, and as it leads me to fear that I have been wrong in the expectation which I have been willing to cherish, that he himself would see both the justice and the political wisdom of giving moderate and reasonable protection, and of continuing it, so long as necessary, to some of the great, leading, and important branches of domestic industry.

I have only to add, that I wish men of all parties, who entertain the opinion that duties on imports fall heavily and unequally on the South, would calmly reconsider that opinion. Look to the great article of woollen cloths; where are they most consumed, because most necessary? Our laborers cannot, and must not, be left shivering under a Northern sky, with the slight clothing which may be sufficient to protect the laborer of the South. They must have

woollens, and they pay the price for them; and pay the price enhanced, if enhanced, by the duties; and pay it willingly, for the sake of being secured in the hopes of a reasonable reward for their labor. This heavy article, one of those which pays most revenue, is consumed in the North, out of all proportion, more than in the South. Look to iron, another important article. The remarks applicable to woollens are applicable to this also; and the more so, as the manufacturing districts themselves are great consumers of iron. The same may be said of lead, and many other articles.

Sir, it is not my object to show that the South does not pay her part of the public contributions. I admit, most cheerfully, that she does pay her part; but my purpose has been to show, if I could, that she does not bear so unequal and unjust a portion of the public burdens as the gentleman has supposed. I am quite sure that a calm and dispassionate consideration of this whole subject, by intelligent and enlightened men, on either side of the Potomac, would result in the conviction that there is really no such wide difference, in regard to what the interests of the different parts of the country require, as ought either to endanger the security of the Union, or create ill-will. For myself, I fully and conscientiously believe that, in regard to this whole question, the interest of the North and East is entirely reconcilable to the real, solid, and permanent interest of the South and West.

SPEECH

IN THE SENATE OF THE UNITED STATES, MARCH 30, 1840, ON THE
TREASURY NOTE BILL.

I REGRET, Mr. President, that the chairman of the committee is absent, as he might probably have made use of this occasion, not only to show the necessity of raising this sum of five millions, for the immediate use of Government, by some extraordinary means, but also to state his opinions upon the public revenue, both in regard to its present state and its prospect for the future.

The sum and substance of the measure now before us is, to borrow five millions of dollars, for two years, if necessary, and to pay therefor any rate of interest not exceeding six per cent. This borrowing is to be done by means of issuing Treasury notes, bearing interest; and, so often as they shall be received at the Treasury, they are to be re-issued, so that the whole sum of five millions may be kept out. And the authority to issue and re-issue is to last one year. The consequence of this is, that, one year from the date of the bill, if the whole five millions be not then outstanding, the balance may be issued, redeemable in a year from that time. It is a power, therefore, to make a loan, for five millions, with an authority to continue that loan, by borrowing to-day to repay the sum borrowed yesterday, and to continue this process, in effect, for two years. This is the substance of the bill.

Mr. President, at the opening of the session, the President of the United States informed Congress that the financial operations of the Government for the past year had been very successful.

The Secretary, too, in the very first paragraph of his annual report, stated, with much satisfaction, that the revenue of the Government had been increased, and the expenditures diminished.

That the resources of the country are abundant, no one can doubt. Its wealth, its activity, its commerce, and its freedom from burdensome taxation, render it able to raise, with entire facility, a revenue quite equal to all the just wants and necessities of the Government. But, notwithstanding these congratulations of the President and Secretary, I cannot but entertain a doubt whether, under the operations of provisions now actually existing, and under the expenditures which have been made, and are making, or are in

anticipation, it is prudent to indulge in sanguine hopes of an overflowing Treasury. The doubt receives countenance from the fact that the bill before us is to authorize the borrowing of five millions, in the form of Treasury notes, and under such circumstances as leave no reasonable hope, as I think, of their redemption within this year. I do not oppose the bill, but I propose to say a few words on the state of the Treasury, and on the history of its receipts and disbursements for the last three years.

We learn, from the Secretary's annual communication, that, at the commencement of this year, there was in the Treasury no more than a million and a half of dollars available for the purposes of Government. I omit fractions, and use round numbers, for the sake of brevity. At the same time, the Government owed, on outstanding Treasury notes bearing interest, two millions and three quarters, or two millions seven hundred and fifty thousand dollars.

This was the state of the Treasury January 1, 1840, as near as the Secretary could estimate or ascertain it in December. It turns out, from the paper just read, that, in fact, there were a few hundred thousand dollars more in the Treasury in January than the Secretary's estimate, but from what funds or sources does not appear; and this circumstance does not affect the general view which I propose to take.

Let us now go back to January 1, 1837. In 1836, there being a great surplus in the Treasury, the deposit law was passed, by which five millions were to be reserved in the Treasury, in aid of accruing revenues that should be in the Treasury January 1, 1837, to meet future demand, and the rest of the money divided, in deposits, with the States, by four quarterly payments or instalments.

As the Secretary was obliged to make his calculation a little before the 1st of January, and could not say, exactly, what amount might be in the Treasury at the time, he made a safe allowance; and it happened, in the end, I think, that six millions and more were retained in the Treasury instead of five. At the commencement of 1837, then, the Government had on hand six millions; and it had before it the whole accruing revenue of the year. Before the year was out, — that is to say, in the September session, — Congress suspended the payment of the last or fourth instalment, or fourth deposit to the States. This measure retained in the Treasury a further sum of nine millions, thus raising the reserved aggregate up to fifteen millions. Subsequently, the Treasury received from the Pennsylvania Bank of the United States five millions of dollars, as part of the property, or capital, of the United States in the former bank. This swelled the amount to twenty millions. So that, since January, 1837, the Treasury has had full twenty millions of former receipts, as well as all revenues arising since.

Now, it is apparent that these twenty millions have been expended within the three years, in addition to all the revenue which has accrued in the mean time, with one deduction, which I shall state. It is true, that, in September, 1837, Congress suspended, or postponed, the payment of certain custom-house bonds; but the time of postponement has long since expired, and the bonds have been paid. It is true, also, that the deposit banks, in 1837, held certain sums belonging to Government, which they wished time to pay. But, before the commencement of this year, these debts had been brought down to a million of dollars, or thereabouts. The true account, then, stands thus:—

Reserved under the Deposit Act,	\$6,000,000
Amount of fourth deposit held back from the States, . .	9,000,000
Received from the Bank of the United States, . . .	5,000,000
Borrowed on Treasury notes, outstanding Jan. 1, 1840,	2,750,000
	<hr/>
	22,750,000
Deduct amount in Treasury January 1, 1840,	1,550,000
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	21,200,000
Deduct amount still due from deposit banks,	1,000,000
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Balance,	\$20,200,000

Twenty millions two hundred thousand dollars, then, appear to have been expended in the three years between January, 1837, and January, 1840, besides all the receipts from the custom-house, and land-offices, and all other sources.

If there be any error in this general statement, I hope some gentleman will point it out, and I will cheerfully make the necessary correction. My object is to be accurate as well as distinct. But, if there be no error,—if this statement be true, as I suppose,—then the result certainly is, that, for the last three years, the Government has expended almost seven millions a year beyond its income, and has supplied the deficiency out of funds previously acquired or received. The six millions reserved under the deposit law, the nine millions afterwards withheld from the States, the five millions received from the bank,—all these were funds previously acquired, and none of them any part of the income of 1837, 1838, or 1839. All the income and revenue of those years have been expended, and these twenty millions more.

This general state of the Treasury, and the history of revenue and expenditure for the last three years, may well awaken attention. We have no twenty millions more in crib to go to. Our capital is expended. There will be two millions and a half due from the Bank of the United States in September, and there is a

small balance still due from the deposit banks ; both together not exceeding three millions and a half ; and for the rest we are to rely on the usual sources, the custom-house and the land-offices.

Now, then, the important questions are, Does the Administration expect an augmentation of income ?

Or does it expect such a reduction of expenditure as shall keep it within the income ?

Or does it contemplate loans, either in the form of Treasury notes, or otherwise, to make up deficiencies ?

And, if the last, to what extent ?

The present measure is to authorize the immediate issue of five millions in Treasury notes, for the purpose of being paid out to persons having claims on Government, or used as means of borrowing money for the necessities of the Treasury.

I do not propose to oppose the passage of the bill, because I think it quite clear that the money is needed, in order to carry on the Government. There are, indeed, objections to this form of borrowing money. For it is a borrowing of money, to all intents and purposes. The Secretary, indeed, in a recent communication to the Senate, does not call it *borrowing*. He avoids that word, as if he were afraid it would burn his mouth. He calls it only "*exchanging Treasury notes for specie*." This falls under that form of statement now usually called *humbug*. The Secretary receives money, gives for it his Treasury notes, payable a year hence, and bearing an interest of five or six per cent. But this, he thinks, is not borrowing money ; it is only "*exchanging his notes for money* ;" — a sort of exchange, I believe, which most borrowers are obliged to conform to. The authority, and the only authority, under which he makes this marvellous "exchange," is a section of the law of 1837, which authorizes him to "borrow money."

I cannot say that I think the communication of the Secretary, to which I have referred, is a very full or clear answer to the call of the Senate. But we learn from it, after all, what I was sure must have existed, and which it may be of some importance to show. He admits that deposits have been made to the credit of the Treasurer, in certain banks ; and that thereupon such banks have received Treasury notes to a corresponding amount. And the Treasurer, in a letter accompanying the Secretary's report, says that these funds are drawn for *as other funds, and not specifically*. The Secretary says these deposits are *special*, and *in specie*. All this is *humbug* again ; for all deposits in banks are regarded as specie deposits while banks pay specie, and the Treasurer, as I have remarked, says expressly that these sums, thus deposited, are drawn for, when needed, *in common with other funds*, and not specifically, or separately. This idea, or this delusion, or this pretence, — for it hardly deserves a respectable name, — about special

specie deposits, was sufficiently dissipated by the examination, last year, into the conduct of the banks connected with the New York custom-house. When the banks pay specie, a special deposit is nothing but a deposit in specie, or its equivalent; and the amount is paid out, on draft, in specie or its equivalent. And this is the case with all other deposits of money, unless it be left in kegs or bags, and not carried into the general account of the bank. Any one may see how this is, and has been, who will recur to the evidence of the cashier of the Bank of America, on the occasion which I have referred to. As I have already said, the Treasurer informs us that these deposits are mixed with other funds belonging to the United States in the same bank. That is to say, they all stand together, to his credit, on the books of the bank, and he draws as he has occasion, just as is done by any other dealer with the bank. This is the whole of it. Special specie deposit is a nonentity.

Now, it is easy to see that this mode of obtaining money from the banks may be of very considerable profit to them. Suppose a bank deposits a million of dollars to the credit of the Treasury, and receives therefor a million of dollars in Treasury notes, bearing an interest of six per cent. Interest immediately accrues to the bank, of course, on the whole of this sum; but it may be many months before it is all drawn out. The Treasury may give out its drafts slowly, and these drafts, when made, may be sent to distant parts of the country, and be some considerable time in reaching the bank. When they arrive, the bank will generally pay in its own notes; but, beside this advantage, it will make a clear gain, because it has been receiving interest on more money than it has parted with.

Under the law of 1836, the deposit banks were required *to pay interest* on Government deposits. The present system looks very much like making Government pay the banks interest on its own deposits.

There are objections, I repeat, to the use of Treasury notes, as means of borrowing money. In the first place, the interest must be higher than on a loan contracted in the common manner. The greater part of all the Treasury notes issued since 1837, have borne an interest of six per cent.; whereas my information is,—and I have little doubt of the correctness of it,—that United States stock, bearing $4\frac{1}{2}$ per cent. interest, could be readily sold at par abroad, not having any great number of years to run; or it could readily be sold at home, with a view of sending it abroad.

In the next place, Treasury notes, bearing a high interest, and redeemable at any time, upon two months' notice, issued under the present circumstances of the country, are very likely to absorb a considerable portion of the money now so much needed for the

relief of trade and commerce, and the revival of business. It strikes me that the whole operation is likely to make money scarcer than it is already ; since the Treasury is coming into the market as a borrower, offering a high interest.

Again, I am aware that a use may be made of Treasury notes, which is quite opposed to the spirit of the Constitution ; that is, to issue them without interest, or with a mere nominal interest, and to attempt to force them into circulation as money. Any such attempt ought to be strenuously resisted ; being neither more nor less than an attempt to establish a system of Government paper money.

But Congress has sanctioned long ago, and under better auspices, the occasional issue of Treasury notes, and I do not feel at liberty, therefore, to withhold my assent on the present emergency from that mode of raising the sums which the state of the country requires, as no other mode is proposed. Both the President and Secretary would seem excessively anxious to distinguish the issues of Treasury notes from the creation of a debt ; but I think this distinction is without a difference. A note issued, bearing interest, and payable hereafter, has created a debt as much as any form of stock could create it. A national debt was actually commenced at the very first session of Congress under the present Administration, and it never has been paid, except as one obligation has been discharged by borrowing money on another. Like other debtors, we have renewed our notes, and renewed them often, sometimes paying high interest ; but we have never extinguished the debt. The first Treasury notes were issued in the autumn of 1837. The amount outstanding January, 1838, was, I think, four or five millions ; in January, 1839, it was also large ; and in January, 1840, as I have already said, the Secretary states it at two millions and three quarters.

One object of the present bill is to enable the Treasury to pay off the unpaid part of these two millions and three quarters by borrowing again. So that it is true that, from the first session of Congress under this Administration, to the present day, the Government has been in debt for borrowed money, and has been every hour paying interest for such borrowed money. This is a *public debt*. What this debt may amount to by March, 1841, I cannot say. It depends on measures to be adopted by Congress, and on those changes and fluctuations in trade which cannot be foreseen. But if no new means of revenue are supplied, and Congress should make such appropriations as it usually has done, and no great improvement in the state of affairs should take place, I cannot see how it is likely to fall short of eight or ten millions. But this is mere estimate. Whatever the amount may be, however, in March, 1841, it will be a debt created by the present Administration. I

do not say unnecessarily created. I am not now speaking to that point. But I say it will be a debt—a public debt—a national debt—begun under this Administration—a debt existing in the least economical and the most inconvenient form—a debt bearing an interest—and a debt which, if cast on the Administration of 1841, whoever may be at the head of that Administration, must be provided for. I say this, Sir, merely to preclude, *ab ante*, the idea that, if a national debt shall be found existing after March, 1841, it will be the debt of the Administration of that time, and not of the present.

My real ground of complaint against the present Administration—and I think it a very just ground—is, that it has not come out in a manly manner, long ago, and told Congress that there was a necessity to make further provision for revenue.

The President, in his Message of the 2d December, observed that all the Treasury notes then outstanding would have been redeemed before that time, “if the Treasury could have realized payments due to it from the banks.” What banks? The outstanding Treasury notes amounted, at that time, to two millions and three quarters. The deposit banks owed the Government only a million, or a million one hundred thousand dollars. The President must have included the bond of two millions and a half of the Bank of the United States. But that bond is not, by the terms of it, due till September next. There could have been no disappointment, therefore, in not realizing the payment of that before the date of the Message. The President makes very just observations upon the impolicy and danger of commencing a public debt in a time of peace; of the fearful rapidity with which such debts are apt to be increased; and upon our duty to struggle against such debts at the threshold. But all this does not prove that money borrowed and still owed on Treasury notes is not a national debt. All this does not prove that we have not been borrowing money on the strength of the public credit, paying high interest for it, and having an immediate prospect of being obliged very considerably to increase its amount. I know no way of keeping out of debt, but by bringing the revenue up to the expenditure, or bringing the expenditure down to the revenue. If we owe for borrowed money, it is puerile to talk about the form of our obligation, as if one form was less a debt than another. It would be much more wise to set ourselves at once about getting the means of payment. Good aphorisms, upon the subject of a national debt, should be followed, I think, by direct and responsible recommendations to Congress of such measures as are necessary to prevent the evil.

Let us, now, Mr. President, look to the Secretary’s estimate of means and of expenditures for the present.

And, first, of the means. He thinks the receipts into the Treasury from customs, lands, and miscellaneous sources, will not exceed eighteen millions six hundred thousand dollars,

	\$18,600,000 00
Amount in the Treasury, January 1, 1840, . . .	1,556,385 00
	<hr/> 20,156,385 00
Expected to be paid on United States Bank bond,	2,526,576 00
Due from deposit banks,	1,149,904 00
	<hr/> \$23,832,865 00

But the Secretary does not deem it prudent to rely on the collection of these debts; and as to the receipts from the custom-house, the great source of expected income, I presume his hopes are not stronger now than they were at the commencement of the year.

Let us now turn to the other side of the account, and see the estimate of expenditures.

Now, on this head, he says that if Congress should make appropriations to the extent desired by the different departments, the expenditures of the year will amount to	\$20,000,000 00
Besides the payment of outstanding Treasury notes, amounting to	2,750,000 00
	<hr/> 22,750,000 00

This would leave an apparent balance in the

Treasury, at the beginning of next year, of. . .	1,082,865 00
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But this sum is less than the amount due from the deposit banks, the payment of which, he says, ought not to be relied on. If no part of that should be paid, the Treasury, according to this statement, will be *minus* at the close of this year. Probably some part of it will be paid; but at best, and if the Secretary's hopes should all be fulfilled, it will be, upon his showing, a touch-and-go affair.

But, as he does not rely on receiving these debts from the banks, what does he propose? He speaks always of Treasury notes as being of a temporary expedient only, and that they are to be redeemed within the year. I do not think this, at all; but that is his ground. How, then, does he propose to provide for the deficiency, in case these bank debts shall not be collected?

Why, Sir, he says, very gravely, that one mode of avoiding difficulty will be to reduce the appropriations by postponing some and lessening others. We need no ghost to tell us that. But *what* appropriations will he reduce? Where shall the lessening take place? or where shall the postponement take place? On

what head shall the blow fall? Shall it be in the civil list, or the army, or the navy? He says, in the early part of his Message, that he thinks a reduction can be made, without essential injury to any useful objects, "for reasons which will be hereafter enumerated." I have looked through the whole paper carefully, and cannot say that I have met with that enumeration of reasons. Perhaps the chairman of the committee, if he were here, could tell us where those reasons are to be found. He does say, indeed, in a subsequent part of his communication, that it may become necessary to diminish the compensation of all officers, civil, military, executive, judicial, and legislative. But he states no proposed rate of reduction; and, indeed, he does not *recommend* reduction at all. He says it may become necessary. Does he think it has become, and is now, necessary? Does he recommend it? Is that his reliance to eke out his ways and means? And what amount of reduction does he suppose such a process would accomplish? It is better to do this, he says, than to expose the Treasury to bankruptcy. Does he mean that the Treasury will be exposed to bankruptcy, if this be not done? Does he mean to say that the Treasury will be forthwith bankrupt, unless the pay of the President, heads of departments, judges, members of Congress, and military and civil officers, be immediately reduced? Is it acknowledged that our finances are in this condition? If so, why not recommend the measure at once? Why not tell us, distinctly, what is necessary? Why leave Congress to grope in the dark, amidst many various, and sometimes inconsistent, propositions and suggestions? When the report begins with such a flourishing paragraph about the great prosperity of the Treasury, one is not prepared to see the Secretary come to this complexion of bankruptcy quite so soon.

But, Mr. President, there is at least an apparent inconsistency between the President and the Secretary. The Secretary says the appropriations may be reduced below the estimates, so as to leave two millions in the Treasury at the beginning of next year. This will require a reduction of one million, if he reckon on collecting all the balances due from the deposit banks; or, if not, then a reduction of a million, and as much more as shall equal what may remain unpaid of these balances. He supposes, then, that these estimates of appropriations may be safely cut down at least one or two millions. This would be a very important saving.

But what says the President? The President says that he "has directed the estimates for 1840 to be subjected to the severest scrutiny, and to be limited to the absolute requirements of the public services."

Now, Sir, if his directions had been followed, — if these estimates had been subjected to the severest scrutiny, and are limited to the absolute requirements of the public service, — where is the reduction

to be made? The Secretary, as I have said, specifies nothing, and recommends nothing directly. Where would he have us lop off? Will he spare us one or two millions from his own department? Will the Secretary at War spare a million from his? Or the Secretary of the Navy from his? Why, I ask, should Congress, when called on to appropriate the public moneys, be left in such clouds, and such darkness?

Sir, one word as to the manner of making estimates of expenditure for the consideration of Congress. It is a plain and simple business, though, from its nature, it cannot be very precise, and I cannot see any necessity for enveloping it in so much obscurity and uncertainty.

Appropriations are of three classes.

In the first place, there are certain existing or standing appropriations, which need not be renewed annually. Such is the sum of \$200,000 expended every year for arming the militia; and such are some of the classes of pensions, and a few other small charges.

In the second place, there are the large class, in which the charge is created by law, but annual appropriations are required to enable the Treasury to disburse the sums necessary for its payment. This includes the army and navy, the civil list, and a list of miscellaneous objects.

In the third place, there are, as we all know, many appropriations made by Congress for special objects, public or private, and those often amount to considerable sums—private claims, roads and canals, building of lighthouses, Indian treaties, many objects recommended by the Executive itself; and these require, every year, a greater or less amount of money from the Treasury. The Secretary says that the expenditures of this description, which may be sanctioned by Congress annually, are very uncertain in their amount. This is true; but then, as these expenditures, in every year, amount to a considerable sum, and have done so from the very beginning of the Government, can any just or comprehensive view of the probable necessities of the Treasury be presented which shall leave all such out? It is quite impossible that some such expenditures should not be made. Now, in these estimates and recommendations, I find no provision whatever for any objects of this kind. The estimates are strictly confined to the army, the navy, and the civil list. I find no allowance for a single dollar which we might vote away here upon a private claim. Yet the Secretary tells us that, *if we will keep within the estimates, the means will hold out*. But he must know, I should have thought, that we cannot keep within the estimates. It is more than probable, judging from the past, that he himself, before the session is out, will call for appropriations not within the estimates. And does he mean, in that case, to throw the blame of any deficiency which

may arise on Congress, by saying that Congress did not keep within the estimates?

If we may believe the President, and if the Secretaries have fulfilled his directions, there is nothing in any of these estimates which is not required by the absolute wants of the Government. But we know, Sir, that there are things not in the estimates, in regard to which the wants will be absolute; for instance, the private claims, upon which we are passing here every day, and for many of which we must provide, if we mean to do justice. Besides, do we not see, and know, that, in all human probability, various other occasions of appropriation will arise? Will there be no contingencies for the war in Florida? no expense for Indian treaties? Is it not possible that events may arise on the north-eastern frontier, involving heavy charges?

And again, Sir; does the Administration abandon the Cumberland road? Here is no estimate for a dollar on that head of expenditure. Yet I trust an appropriation for that object will be made. I shall certainly vote for it myself. And harbors on the lakes — are provisions for those places of refuge and safety to lake mariners to be again postponed? They are not in the estimates. Is no improvement of any other harbor, no new lighthouse, and nothing else, which the protection of Atlantic or inland commerce may require, to be undertaken or provided for? Or, since these things are not within the estimates, if Congress should provide for them, is Congress to be reproached for its conduct, and made answerable for deficiencies?

I repeat, Sir, that the Executive departments must well know that, for some of these objects, appropriations will of necessity be made; and I repeat, therefore, that it seems to me to have been their duty to have presented such a plan, for receipt and expenditure, as should have embraced them, and provided for them. The amount, I agree, could not be well foreseen. But it must have been foreseen — it could not but have been foreseen — that something would be necessary; and yet the estimates make allowance for nothing.

There is, Sir, in all these Executive communications, a constant repetition of sound general maxims about the importance of economy. I hope the virtue will be practised, as well as preached. But in my opinion there is no just economy in refusing appropriations to important, necessary, and useful public objects. Let economy begin by cutting off useless objects, and diminishing the expense of accomplishing such as are useful. Let it push its reform to the reduction of the cost of collecting the revenue. Let it take care of expenditures, by trusting the public moneys to honest hands. Let it reduce offices, wherever they can be reduced. In all these, and other like things, let it exert its salutary influence.

But is the Cumberland road to stop, from an impulse of economy? Are the lakes to be without harbors, from considerations of economy? Are important contingencies in public affairs not to be reasonably provided for, from reasons of economy? What sort of economy would that be?

Sir, I take that great public virtue, true economy, to consist, not in an undistinguishing neglect or refusal to appropriate money, but in a careful selection of important and necessary objects of expenditure, in the frugal application of means to accomplish these objects, and in enforcing an exact and punctual discharge of duty by every officer charged either with the collection of money, or with any expenditure, great or small. This is my idea of wise and practical economy, such as it becomes us to exercise, and such as the country will approve. But it is of little value, or no value at all, that Executive communications should rehearse to us general economical maxims, unless they show us what objects of expenditure may be disregarded, or in what other way savings may be made. And it would be especially edifying if these general admonitions should be accompanied and enforced by some striking and brilliant examples set by the heads of departments themselves. I presume that no injustice towards Congress is intended, but I must say that in many of these communications, there are things which seem calculated to assert great merit for economy in the Executive departments, and which are but too well calculated to throw upon us an apparent want of that virtue. If it be required of Congress to keep its appropriations within the estimates of the departments, these departments ought, in their estimates, to comprehend all objects which they know, or have reason to believe, Congress must provide for.

Mr. President, I do not know the opinions of other gentlemen, and speak only for myself; but my opinion is, that our existing provisions for revenue are not adequate. I am aware that one branch of expenditure — that of pensions — is rapidly decreasing; but others are quite likely to increase, and we all know what a fall in duties is to take place in no great length of time. Looking to the many useful and important objects, which, I think, ought to engage the attention of Congress, it seems to me to be time that further provisions for income should be made. And we have the means at hand. There are articles of import on which we might, immediately, in my opinion, lay a considerable duty. The first of these is silks. The importation of this article is enormous. In 1839, it exceeded twenty-one millions of dollars. Think of that. An annual consumption of an untaxed imported article, of mere luxury, of twenty-one millions of dollars! Those silks clothe no poor man, nor his wife, nor children. The whole use and consumption is by the affluent. Is there a fairer subject of import duty in the world?

Our table is loaded with petitions on this subject, by those who are attempting the making of silk among ourselves. This, itself, is a good reason for taxing the imported article. But, as a subject of revenue, nothing can be fairer or more proper. Good would come every way from a duty on silk. Suppose the importation should be a little lessened by it; that would favor the efforts of our people, and obtain revenue also. Suppose the importation should hardly be diminished at all, as perhaps it might not be; then we should receive the more revenue, and should collect it on an article of the merest luxury. Sir, if such a measure could originate in this House, I would move, this hour, to bring in a bill laying a duty on imported silks.

The next article is wine. Wines were imported last year to an amount exceeding three millions of dollars. Why should not wines pay a duty? I know that, in regard to French wines, we are limited, by the treaty with France, until 1842. But still, within those limits, we might lay a considerable duty on the wines of France. But I should have no desire to lay duties on the red wines, or the cheaper wines of France. Such wines are consumed, extensively, in the South and West, are suited to the habits of the people, and supposed to be suited also to the climate. Until more necessary than at present to tax them, they might be received untaxed. But other and costly wines, such as are regarded as luxuries only, might well be subjected to a reasonable duty.

I would lay no duty on tea or coffee, because they are very generally used, have become, in some degree, necessities of life, and contribute largely to promote comfort, temperance, and happiness among all classes. I may add that the general use of these articles is one of the most striking things which distinguish the laboring classes of this country from the same classes in other countries.

Such, Sir, would be my resort, if I could have my own way, for revenues, such as are necessary for the support of Government.

As to the public lands, I have been, and still am, in favor of dividing their proceeds among the States upon fair and equitable principles. Perhaps this should not be done till the census, which is to be taken this year, be finished; as that will be the surest means of making a just and proper division; but, at a proper time, I am for the measure. In addition to other reasons which have been so often urged, it may be said, with force, that the income from this source is too unsteady and fluctuating to be relied on as an essential branch of public revenue. But a few years ago, it amounted to twenty-four millions. For this year, it is estimated but at three and a half. I should, therefore, assign this income to the States, whatever it might be, and rely for our revenue on those other sources which I have mentioned. In addition to silks and wines, there are some articles, called the protected articles, such as

woollen fabrics, on which, in my opinion, the duties ought to be raised. I would not hasten, indeed, the discussion of the general tariff question; but that question is now before us, not far off, and must soon be upon us.

Mr. President, our imports, the last year, reached the unprecedented amount of one hundred and fifty-seven millions of dollars, exceeding by nearly fifty millions the import of the year before. Yet even this seems not to satisfy us all. Public men appear to have ruling passions or strong tendencies of preference toward particular objects. It seems to me that our Government, and many of our people, have imbibed an extravagant and morbid love of importation. They seem to judge of the prosperity of the country, and the happiness of its people, exclusively by the quantities of foreign merchandise which they annually consume. With all respect, the President himself, I think, has feelings with this tendency. I find this paragraph in his last annual Message:—

“Our people will not long be insensible to the extent of the burdens entailed upon them by the false system that has been operating on their sanguine, energetic, and industrious character, nor to the means necessary to extricate themselves from these embarrassments. The weight which presses upon a large portion of the People and the States, is an enormous debt, foreign and domestic. The foreign debt of our States, corporations, and men of business, can scarcely be less than two hundred millions of dollars, requiring more than ten millions of dollars a year to pay the interest. This sum has to be paid out of the exports of the country, and must, of necessity, cut off imports to that extent, or plunge the country more deeply in debt from year to year. It is easy to see that the increase of this foreign debt must augment the annual demand on the exports to pay the interest, and to the same extent diminish the imports; and in proportion to the enlargement of the foreign debt, and the consequent increase of interest, must be the decrease of the import trade. In lieu of the comforts which it now brings us, we might have our gigantic banking institutions, and splendid, but in many instances profitless, railroads and canals, absorbing, to a great extent, in interest upon the capital borrowed to construct them, the surplus fruits of national industry for years to come, and securing to posterity no adequate return for the comforts which the labors of their hands might otherwise have secured.”

Now, Sir, I would ask, most respectfully, whether any one can mention any railroad or canal more profitless to the country than this enormous importation of foreign luxuries. Or, I would ask, what those imported comforts are, of which we get so much less than we ought to desire. Does our comfort require a greater importation of silks or wines? Or should we be better off by adding to the six or eight millions of imported woollen fabrics, further to

depress and distress our own manufactures? Or is the aggregate of one hundred and fifty-seven millions of dollars, of imported merchandise, not enough, on the whole, to satisfy our eager appetite for foreign productions? Inasmuch as we lay and collect no duties on silks and wines, we are likely to fall short of sufficient revenue; inasmuch as we are likely to fall short of revenue, we refuse all appropriations to the Cumberland road, and to harbors on the lakes. It would seem to follow, from this, that we deem silks and wines more a necessity of life than a good road through a new country, or ports and havens, in which ships, employed in useful commerce, can take shelter for the preservation of lives and property.

Mr. President, it is remarkable that this spirit for importation should become so strong, just when our own occupations and employments are most depressed. The cotton manufactures, practically, are in a worse state than they have been for twenty years. It is supposed that at least one half the woollen machinery in the United States has ceased to work, and many of the establishments might be purchased at one third their cost. The iron trade and the coal trade suffer with the rest. If the condition of Eastern and Northern manufactures be as I have stated, I doubt whether one would receive much more favorable accounts, if he were to inquire into the condition of trade and business at Pittsburg, at Wheeling, or at Cincinnati.

Under the circumstances of the country, Sir, I confess I do not comprehend how any man should desire to see a greater importation of foreign commodities.

The Secretary of the Treasury expresses sentiments, if not entirely like those which I have been considering, yet such as seem to belong to the same general system of policy. He says in his annual report, —

“Should the States not speedily suspend more of their undertakings, which are unproductive, but, by new loans or otherwise, find means to employ armies of laborers in consuming rather than raising crops, and should prices thus continue, in many cases, to be unnaturally inflated, as they have been of late years, in the face of a contracting currency, the effect of it on our finances will be still more to lessen exports, and, consequently, the prosperity and revenue of our foreign trade.”

Foreign trade is here presented as the prominent object of national pursuit, and a reduction of prices at home clearly intimated as a measure of reform. Those armies of laborers now employed on public works, it is here distinctly recommended, instead of thus consuming crops, should go to raising them. This, I think, is rather cold comfort, at the present prices of agricultural products.

Gentlemen around me know the prices at which wheat and flour are selling in the North-Western States, and in Pennsylvania and

New York. Carolina corn, I notice, is selling in Boston for fifty cents a bushel. I doubt whether any of the producers think these prices unnaturally inflated, or whether they will warmly sympathize with the Secretary in the opinion that there ought to be further reduction.

Mr. President, my own opinion of our condition, and of our true policy, is quite different from all this. I hope the States will be able to go on, and that they will go on, with their public works, unless in cases where the objects are plainly beyond the ability of the State. I hope they will keep good heart, use the strictest economy, persevere, and not lose the benefit of all they have done already.

I am for bringing about no reduction in the price of labor. On the other hand, I regard high rates of labor as the surest proofs of general prosperity.

I have no desire to see a greater or more unrestrained importation of foreign goods.

On the contrary, I am for laying a tax on imported luxuries, thus securing an adequate revenue to Government.

And with this revenue I am for defraying the ordinary expenses of Government, making reasonable provisions for unexpected contingencies, and for accomplishing important and useful works, for which we have been so much solicited, and which, in my opinion, the several parts of the country have a right to call on us not longer to neglect.

SPEECH

IN THE SENATE OF THE UNITED STATES, MAY 18, 1840, ON THE
PROPOSED AMENDMENT TO THE BANKRUPT BILL.

I FEEL a deep and anxious concern for the success of this bill, and, in rising to address the Senate, my only motive is a sincere desire to answer objections which have been made to it, so far as I may be able, and to urge the necessity and importance of its passage. Fortunately, it is a subject which does not connect itself with any of the party contests of the day; and although it would not become me to admonish others, yet I have prescribed it as a rule to myself, that, in attempting to forward the measure, and to bring it to a successful termination, I shall seek no party ends, no party influence, no party advancement. The subject, so far as I am concerned, shall be sacred from the intrusion of all such objects and purposes. I wish to treat this occasion, and this highly-important question, as a green spot, in the midst of the fiery deserts of party strife, on which all may meet harmoniously and amicably, and hold common counsel for the common good.

The power of Congress over the subject of bankruptcies—the most useful mode of exercising the power under the present circumstances of the country—and the duty of exercising it—are the points to which attention is naturally called by every one who addresses the Senate.

In the first place, as to the power. It is fortunately not an inferred or constructive power, but one of the express grants of the Constitution. "Congress shall have power to establish uniform laws on the subject of bankruptcies throughout the United States." These are the words of the grant; there may be questions about the extent of the power, but there can be none of its existence.

The bill which has been reported by the committee provides for voluntary bankruptcies only. It contains no provisions by which creditors, on an alleged act of bankruptcy, may proceed against their debtors, with a view to subject them and their property to the operation of the law. It looks to no coercion by a creditor to make his debtor a subject of the law against his will. This is the first characteristic of the bill, and in this respect it certainly differs from

the former bankrupt laws of the United States, and from the English bankrupt laws.

The bill, too, extends its provisions not only to those who, either in fact or in contemplation of law, are traders, but to all persons who declare themselves insolvent, or unable to pay their debts and meet their engagements, and who desire to assign their property for the benefit of their creditors. In this respect, also, it differs from the former law, and from the law of England.

The questions, then, are two : 1st. Can Congress constitutionally pass a bankrupt law which shall include other persons besides traders ? 2d. Can it pass a law providing for voluntary cases only ; that is, cases in which the proceedings originate only with the debtor himself ?

The consideration of both these questions is necessarily involved in the discussion of the present bill, inasmuch as it has been denied that Congress has power to extend bankrupt laws farther than to merchants and traders, or to make them for voluntary cases only. This limitation in the power of Congress is asserted on the idea that the framers of the Constitution, in conferring the power of establishing bankrupt laws, must be presumed to have had reference to the bankrupt laws of England, as then existing ; and that the laws of England, then existing, embraced none but merchants and traders, and provided only for involuntary or coercive bankruptcies.

Now, Sir, in the first place, allow me to remark, that the power is granted to Congress in the most general and comprehensive terms. It has one limitation only, which is, that laws on the subject of bankruptcies shall be uniform throughout the United States. With this qualification, the whole subject is placed in the discretion and under the legislation of Congress. The Constitution does not say that Congress shall have power to pass *a* bankrupt law, nor to introduce *the* system of bankruptcies. It declares that Congress shall have power to "*establish uniform laws on the subject of bankruptcies throughout the United States.*" This is the whole clause ; nor is there any limitation or restriction imposed by any other clause.

What, then, is "the subject of bankruptcies" ? or, in other words, what are "bankruptcies" ? It is to be remembered that the Constitution grants the powers to Congress by particular or specific enumeration ; and, in making this enumeration, it mentions bankruptcies as a head of legislation, or as one of the subjects over which Congress is to possess authority. Bankruptcies are the subject, and the word is most certainly to be taken in its common and popular sense ; in that sense in which the people may be supposed to have understood it, when they ratified the Constitution. This is the true rule of interpretation. And I may remark that it is always a little dangerous, in construing the Constitution, to search for the opinions or understanding of members of the Convention in any

other sources than the Constitution itself, because the Constitution owes its whole force and authority to its ratification by the people, and the people judged of it by the meaning most apparent on its face. How particular members may have understood its provisions, if it could be ascertained, would not be conclusive. The question would still be, How did the people understand it? And this can be decided only by giving their usual acceptation to all words not evidently used in a technical sense, and by inquiring, in any case, what was the interpretation or exposition presented to the people when the subject was under consideration.

Bankruptcies, in the general use and acceptation of the term, mean no more than failures. A bankruptcy is a fact. It is an occurrence in the life and fortunes of an individual. When a man cannot pay his debts, we say he has become a bankrupt, or has failed. Bankruptcy is not merely the condition of a man who is insolvent, and on whom a bankrupt law is already acting. This would be quite too technical an interpretation. According to this, there never could be bankrupt laws, because every law, if this were the meaning, would suppose the existence of a previous law. Whenever a man's means are insufficient to meet his engagements and pay his debts, the fact of bankruptcy has taken place; a case of bankruptcy has arisen, whether there be a law providing for it or not.

There may be bankruptcies, or cases of bankruptcy, where there are no bankrupt laws existing. Or bankrupt laws may exist, which shall extend to some bankruptcies, or some cases of bankruptcy, and not to others. We constantly speak of bankruptcies happening among individuals, without reference to existing laws. Bankruptcies, as facts, or occurrences, or cases, for which Congress is authorized to make provision, are failures. A learned judge has said that a law on the subject of bankruptcies, in the sense of the Constitution, is a law making provision for persons failing to pay their debts. Over the whole subject of these bankruptcies, or these failures, the power of Congress, as it stands on the face of the Constitution, is full and complete.

And now, let us see how it is that this broad and general power is, or can be, limited by a supposed reference to the English system. The argument is this: The members of the Convention, in conferring this power on Congress, must be supposed to have had reference to the bankrupt laws of England; and the bankrupt laws of England, as then existing, embraced only merchants and traders, and were only applied to debtors at the instance of their creditors; therefore the inference is said to be, that traders only should be regarded as subjects of any bankrupt law to be passed by Congress, and that no such law should give the debtor himself a right to become bankrupt, at his own request; or, at least, that every such law should give a right to the creditor to proceed against his debtor. But is this the

just analogy? Is this the point of view in which a general resemblance of our system and the English system may be supposed to have been contemplated? Clearly not, in my opinion. Let it be admitted that the framers of the Constitution looked to England for a general example; they must be supposed, nevertheless, to have looked to the power of Parliament, and not the particular mode in which that power had been exercised, or the particular law then actually existing. The true analogy is, as it seems to me, between power and power—the power of Parliament and the power of Congress; and not between the power of Congress and any actually existing British statute, which might be, perhaps, in many respects, quite unsuitable to our condition.

The members of the Convention did not study the British statutes, nor examine judicial decisions, to ascertain the precise nature of the actually existing system of bankruptcy in England. Still less did the people of the United States trouble themselves with such inquiries. All saw that Parliament possessed and exercised a power of passing bankrupt laws, and of altering and amending them, from time to time, according to its own discretion, and the necessities of the case. This power they intended to confer on Congress, as largely, for aught that appears, as they saw it held by Parliament. The early British statutes were not confined to traders; later statutes were so confined; and, more recently, again, changes have been made, which bring in very numerous classes of persons who were not esteemed traders, in England, at the time of the adoption of the Constitution of the United States. I may add that bankrupt laws, properly so called, or laws providing for the *cessio bonorum*, on the continent of Europe, and in Scotland, were never confined to traders; and while the members of the Convention may be supposed to have looked to the example of England, it is by no means improbable that they contemplated also the examples and institutions of other countries. There is no reason to suppose that it was intended to tie up the hands of Congress to the establishment of that particular bankrupt system which existed in England in 1789, and to deny to it all power of future modification and amendment: it would be just as reasonable to say that the United States laws of copyright, of patents for inventions, and many others, could only be mere transcripts of British statutes on the same subjects, as existed in 1789.

The great object was to authorize Congress to establish a uniform system throughout all the States. No State could of itself establish such a system; it could only establish a system for itself; and the diversities, inconsistencies, and interferences of the several State systems had been subjects of much well-grounded complaint. It was intended to give Congress the power to establish uniformity in this respect; and if the English example was regarded, it was regarded

in its general character, of a power in Parliament to pass laws on the subject, to repeal them, and pass others, in its discretion, and to deal with the whole subject, from time to time, as experience of the exigencies of the public should suggest or require. The bankrupt system of England, as it existed in 1789, was not the same which had previously existed, nor the same which afterwards existed, or that which now exists. At first, the system was coercive, and the law a sort of criminal law, extending to all persons, as well as traders. But changes had taken place before 1789, and other changes, and very important changes, have taken place since. The system is now greatly simplified and improved, and it is also made much more extensive, as to those whom it embraces. It is hardly too much to say that it is preposterous to contend that we are to refuse to ourselves not only the light of our own experience, and all regard to our own peculiar situation, but that we are also to exclude from our regard and notice all modern English improvements, and confine ourselves to the English bankrupt laws as they existed in 1789. The power of Congress is given in the fullest manner, and by the largest and most comprehensive terms and forms of expression; and it cannot be limited by vague presumptions of a reference to other existing codes, or loose conjectures about the intents of its framers, nowhere expressed or intimated in the instrument itself, or any contemporaneous exposition.

I think, then, that Congress may pass a law which shall include persons not traders, and which shall include voluntary cases only. And I think, further, that the amendment proposed by the honorable member from New Jersey is, in effect, exactly against his own argument. I think it admits all that he contends against. In the first place, he admits voluntary bankruptcies, and there were none such in England in 1789. This is clear. And in the next place, he admits any one who will say that he has been concerned in trade; and he maintains, and has asserted, that in this country any body may say that. Any body, then, may come in under the bill. The only difference is, he must come in under a disguise, or in an assumed character. Whatever be his employment, occupation, or pursuits, he must come in as a trader, or as one who has been concerned or engaged in trade. The honorable member attempts a distinction between the traders and those who can say that they have been engaged in trade. I cannot see the difference. It is too fine for me. A trader is one concerned in trade, and to be concerned in trade is to be a trader. What is the difference? But if persons may be concerned in trade, and yet not be traders, still such persons were not embraced in the English statutes, which apply to traders by name; and, therefore, the gentleman's bill would embrace persons not within those statutes as they stood in 1789.

The gentleman's real object is, not to confine the bill to traders,

but to embrace every body ; and yet he deems it necessary for every person applying to state, and to swear, that he has been engaged in trade. This seems to me to be both superfluous and objectionable ; superfluous, because, if we have a right to bring in persons under one name, we may bring in the same persons under another name, or by a general description ; objectionable, because it requires men to state what may very much resemble a falsehood, and to make oath to it. Suppose a farmer or mechanic to fail ; can he take an oath that he has been engaged in trade ? If the objection to bring in others than traders is well founded in the Constitution, surely mere form cannot remove it. Words cannot alter things. The Constitution says nothing about traders. Yet the honorable gentleman's amendment requires all applicants to declare themselves traders ; and if they will but say so, and swear so, it shall be so received, and nobody shall contradict it. In other words, a fiction, not very innocent, shall be allowed to overcome an unconstitutional objection. The gentleman has been misled by a false analogy. He has adopted an example which does not apply to the case, and which he yet does not follow out. The British statutes are confined to traders. But, then, they contain a long list of persons, who, it is declared, shall be deemed and taken to be traders within the acts. This list they extend, from time to time ; and whenever any one within it becomes a voluntary bankrupt, he avers, in substance, that he is a trader, within the act of Parliament. If it had been necessary, as it is not, to follow this example at all, the gentleman's bill should have declared all persons traders, for the purpose of this act, and then every body could have made the declaration without impropriety, as, in England, the applicant only states that which the law has made true. He declares himself a trader, because the law has already declared that he shall be considered a trader. His conscience, therefore, is protected. He swears only according to the act of Parliament, if he swear at all. But, as the provision stands here, it calls on every one to declare himself a trader, or that he has been engaged in trade, not within the particular meaning or sense of any act of Congress, but in the usual and popular acceptation of the word.

Suppose, Sir, a cotton-planter, by inevitable misfortune, by fire or flood, or by mortal epidemics among his hands, is ruined in his affairs. Suppose he desires to make a surrender of his property, and be discharged from his debts. He will be told, You cannot have the benefit of the law as a cotton-planter ; it is made only for traders, or persons engaged in trade. Are you not a trader ? No. I am no trader, and was never engaged in trade. I bought my land here, bought my hands from Carolina, have bought my stock from Kentucky, and raised cotton and sold it. But I never bought an article to sell again. I am no trader. But you must swear that

you have been engaged in trade ; you must apply, not as John Jones, Esquire, cotton-planter, on the Red River, but as Mr. John Jones, trader, at his storehouse, at or near the plantation of John Jones, Esquire. And so, Sir, John Jones, the cotton-planter, must either remain as he is, excluded from the provisions of the law altogether, or sneak into them under a disingenuous disguise, if it be not something worse.

This attempt, therefore, Sir, to avoid a supposed difficulty, encounters two decisive objections. In the first place, there is no difficulty to be avoided ; in the second place, if there was, this manner of avoiding it would be mere evasion.

But now, Sir, I come to a very important inquiry. The Constitution requires us to establish *uniform* laws on the subject of Bankruptcy, if we establish any. Now, what is this uniformity, or in what is it to consist ? The honorable gentleman says that the meaning is, that the law must give a coercive power to creditors, as well as a voluntary power to debtors ; that this is the constitutional uniformity. I deny this altogether. No idea of uniformity arises from any such consideration. The uniformity which the Constitution requires is merely a uniformity throughout all the States. It is a local uniformity, and nothing more. The words are perfectly plain, and the sense cannot be doubted. The authority is, to establish uniform laws on the subject of bankruptcies throughout the United States. Can any thing be clearer ? To be uniform is to have one shape, one fashion, one form ; and our bankrupt laws, if we pass them, are to have one shape, one fashion, and one form, in every State. If this be not so, what is the sense of the concluding words of the clause, "throughout the United States" ? My honorable friend from Kentucky (Mr. Crittenden) has disposed of this whole question, if there ever could be a question about it, by asking the honorable gentleman from New Jersey what *uniform* means, in the very same clause of the Constitution, where the word is applied to rules of naturalization ; and what it means in a previous clause, where it declares that all duties of impost shall be *uniform* throughout the United States.

It can hardly be necessary to discuss this point further. If it were, the whole history of the Constitution would show the object of the provision. Bankrupt laws were supposed to be closely connected with commercial regulations. They were considered to be laws nearly affecting the intercourse, trade, and dealing, between citizens of different States ; and for this reason it was thought wise to enable Congress to make them uniform. The Constitution provided that there should be but one coinage, and but one power to fix the value of foreign coins. The legal medium of payment, therefore, in fulfilment of contracts, was to be ascertained and fixed, for all the States, by Congress, and by Congress alone ; and Congress,

and Congress alone, was to have the power of providing a uniform mode in which contracts might be discharged without payment. Look to the discussion of the times ; to the expositions of the Constitution made to the people by its friends when they urged its adoption ; look to all within the Constitution, and all without it ; look any where, or every where, and you will see one and the same purpose, one and the same meaning ; and that meaning cannot be more clearly expressed than the words of the clause themselves express it, — that laws to be established by Congress on the subject of bankruptcies *shall be uniform throughout the United States*.

Now, Sir, the gentleman's bill is not uniform. It proposes that there may be one law in Massachusetts, and another in New Jersey. The gentleman's bill includes corporations ; but then it gives each State a power to exempt its own corporations, or any of them, from the operation of the law, if it shall so choose. It decides what shall be, in the case of banks, an act of bankruptcy ; but then it provides that any State may say, nevertheless, that, in regard to its own banks, or any of them, this shall not be an act of bankruptcy.

Here is the provision : —

"Provided, however, That nothing herein contained shall apply to, or in any wise affect, any corporation or association of persons, incorporated or acting under a law of any State of the Union, or any Territory of the United States, where such corporation or association shall be authorized by their charter, or any express law of such State or Territory, to do or commit the act herein declared to be an act of bankruptcy, or where, by any such law of any such State or Territory, the said incorporation or association of persons shall or may be exempted from the provisions of this act."

Pray, Sir, what sort of uniformity is this ? — a uniformity which consists in the authorized multiplication of varieties. Who will undertake to defend legislation of this kind, under our power to establish uniform laws on the subject of bankruptcies throughout the United States ? Not only is it in direct violation of the plain text of the Constitution, but it left the very evils, every one of them, which a provision in the Constitution intended to shut out. The Constitution says that Congress may *establish* uniform laws ; the gentleman's bill says that Congress may *propose* a law, at least so far as corporations are concerned, but that still each State may take what it likes, and reject the rest ; and this, he contends, is establishing a uniform law.

I pray, Sir, where is this power of exemption to stop ? If we may authorize States to exempt their corporations, may we not, with equal propriety, authorize them to exempt all their citizens ? May we not say that each State may decide for itself whether it will have any thing to do with the law, when we have passed it, or what parts it will adopt, and what parts it will refuse to adopt ?

But, Sir, I must wait till some attempt is made to defend this part

of the gentleman's bill. I must see some show of propriety, some plausibility, before I reason against it further. In the view I at present have of it, it appears to me utterly repugnant to the plain requirements of the Constitution, destitute not only of all argument for its support, but of all apology also. I see nothing in it but naked unconstitutionality.

But, Mr. President, if these provisions were constitutional, they would still be in the highest degree unjust, and inexpedient, and inadmissible. What is the object of bringing the banks into the bill at all? Certainly there can be no just object other than to insure the constant and punctual discharge of their duties by always paying their notes on presentment. Clearly there can be no object but to prevent their suspensions of payment. And it might be said that this object was kept in view, if the law were uniform, peremptory, inflexible, and applying to all banks. But when you give the power of exemption to the States, you sanction the very evil which you propose to remedy. You profess to prescribe a general rule, and yet authorize and justify its violation. Do not the States now exempt, and is not that the very evil from which we suffer? Is not suspension, under the authority of State exemption, the topic, the discussion of which every day nearly stuns us by its reverberation from the walls of this chamber? The charters of the banks are, in general, well enough. They require punctual specie payments, under severe penalties, and, in some cases, under the penalty of forfeiture. But, under the pressure of circumstances, and from a real or supposed necessity, the States relieve the banks from these penalties, and forbear to enforce the forfeitures. And will they not, most assuredly, also relieve the banks in the same manner, and for the same reasons, if they have the power, from the penalties of our bankrupt law? State permission, State indulgence, State exemption, is the very ground on which suspension now stands, and on which it is justified. And it is now proposed that Congress shall give its authority and sanction to all this. It is proposed that Congress shall solemnly recognize the principle, and approve and sanction the practice, of State exemption, of the suspension of specie payments, by State authority. If the States will not enforce their own laws against the banks, can any one imagine that they will see the equally or still more severe penalties of our bankrupt law enforced, while they have the power to prevent it?

Some weeks ago, the honorable member from Pennsylvania moved for a committee to inquire into the propriety of amending the Constitution, so as to insert a provision giving Congress power to restrain the circulation of small bank notes. I did not concur in his measure, not thinking the Constitution needed amendment in that respect; but his argument was quite intelligible. He said that this abolition of small bills could not now be accomplished, because the

States could not be brought to act in concert; yet they might all be brought to consent that Congress should establish a uniform rule upon the subject. That was a fair reasoning towards a proper object. It went for uniformity on a point of great commercial importance. But how is it here? We do not propose uniformity; we do not require that one rule may extend over all. Far otherwise; for we propose to authorize difference, dissonance, and confusion. Having the power to establish uniformity, we delegate an authority to create variety. Charged by the Constitution to establish one rule, we ourselves, instead of performing that duty, call upon others to establish different and varying rules. All must see to what this leads, or rather what this is; for it is a measure which would be perfect in its beginning, it would reach its destiny at its commencement, its mischievous tendencies would be accomplished at its birth. The passage of this bill would add the solemn sanction of Congress to the sanction of the States to the suspension of specie payments by the banks. That is the practical sum and substance, the long and the short of the whole matter.

Sir, if our constitutional power enables us to embrace the banks in this bill, and if we see no insuperable or greatly formidable practical objections, then, I think, we ought to include them all, without any power of escape.

Suppose the bill should be made uniform, then, and to include all banks; have we the power, and is it expedient, to pass it in that shape?

On the motion for a committee, made some time ago by the member from Pennsylvania, to which I have already referred, I suggested the opinions which I entertain on one branch of the power of Congress connected with this subject. The constitutional point, now arising, I do not mean to treat, nor to decide; it is open to others, and will, no doubt, be discussed by them. But upon the expediency or propriety of including banks and other corporations in this bill, I will say a few words. The State with which I am connected can have as little objection to include banks in the bankrupt bill as any other State. Many persons in Massachusetts, quite respectable and well informed, are in favor of the measure. But it appears to me they have not well considered the practical difficulties. Let us look at what is proposed to be done.

There are eight hundred or a thousand State banks, each with its charter conferring its rights, prescribing its duties, and enjoining penalties. They are banks of deposit, banks of discount, and banks of circulation. It is now generally admitted that they are lawfully created. Their legal existence is established. They comprise, I suppose, two hundred millions of capital. Some of them are founded entirely on private ownership, while in some others the States

creating them are proprietors, and in some others again the States are sole proprietors. Some of them have a right to suspend for a limited time, others have not this right, the charter of each being its own constitution.

Such being the general state of things, it is now proposed to subject all these banks to the operation of a bankrupt law, so that, when they stop payment for a day or an hour, their property and effects may be seized for distribution among their creditors, and their operations broken up. It is proposed to do this, although the charters of the banks may expressly authorize them to do that very thing, which is an act of bankruptcy under this bill, and for which their property is to be thus seized. Here is certainly a direct collision between State authority and the authority of the United States, which ought to be avoided whenever it can be. The act of Congress in this case would be made to repeal or annul *pro tanto* the law of the State. I do not say that this can in no case be done; but I say that all such collisions ought to be avoided, if possible.

It is proposed that Congress shall prescribe duties to the banks not prescribed by their own charters; and for the violation of those duties, thus prescribed by Congress, it is proposed to proceed against them as bankrupts, to sequester their effects, and virtually annul their franchises. If this can be done, should it be done without clear and cogent necessity? Without wishing to represent the proposition as extravagant, or speaking of it with disrespect, it seems to me to be bold, if not rash, until a case of absolute necessity is made out. What would become of the bank stock in case of such seizure and sequestration? What extent of depression and fluctuation would attach to it, when such a law should be passed? What would become of the entire circulation of the country, if a general suspension should happen, and all the banks should be thus seized? What would become of the country, creditors, and debtors, and of all business, if a general suspension should happen, and all the banks should be placed in the hands of the federal courts, their paper entirely disgraced, and an immediate collection of all their debts attempted to be enforced? What would become of some of the States who own the banks, and of others who derive revenues from them? And how could such immense affairs be administered by the courts of the United States? These difficulties appear to me to be startling. If, indeed, we were quite confident that such a provision would hereafter prevent all general suspensions, we might venture upon the measure. We might expect to be able to deal with here and there an individual case. But this provision is not certain to prevent general suspension in great emergencies or great commercial revolutions. Twice, within a few years, the banks have suspended, notwithstanding the penalties of their own charters, and the laws of their own States. The real truth is, that, in the absence

of all regulation or control by Congress, the banks have attempted, and do attempt, regulation by their own concert of action. They make a law for themselves.

A general suspension is the result of a general concurrence, or of a general conviction of the necessity of suspension, on the part of all the banks, or many of them. This has happened, and in the present state of affairs may happen again, notwithstanding a bankrupt law. In my opinion, indeed, it is certain to happen, notwithstanding all the bankrupt laws we can pass, until Congress shall do its duty, by enacting prospective and preventive remedies; and if it should happen, one of two things must ensue, — either Congress would be called together to repeal the law, or an utter and dead stop would take place in the payment of debts, in the concerns of commerce, and, indeed, in all the business of life.

In addition to the charters, it is to be remembered that several of the States have provisions of their own, founded on their own statutes, for proceeding against failing banks. Such banks are put into commission, or under sequestration, by the State courts, and a judicial administration and settlement of their affairs take place. Is our bankrupt law expected to supersede these State bankrupt laws? Are our courts to dispossess the State courts?

Sir, I will not pursue this subject further. I repeat, that, in the part of the country to which I belong, I believe there is a pretty strong disposition to include the banks in the bankrupt law. The people in that quarter apprehend from it no danger to themselves or their own institutions, and they wish to see banks elsewhere coerced, by the most effectual means, to resume and to maintain specie payments. I need not say that they are among the greatest sufferers by the present most ruinous state of things. They pay, and others do not pay them. They cannot long stand the present state of the currency, and, like them, I am ready to take any practical measure, any thing short of convulsive shocks, between State authority and the authority of the United States, to relieve it. But I confess that, for myself, to say nothing of the constitutional points, I see formidable difficulties in subjecting State banks to forfeiture and destruction by an act of bankruptcy. At any rate, if the banks are to be dealt with in bankruptcy at all, their case would require, obviously, very many peculiar provisions, and they should constitute the subject of a bill by themselves. Such a bill should be prospective, the commencement of its operation deferred, the act of bankruptcy more clearly determined, provisions made to avoid, as far as possible, collision with State authorities, and provisions also for superseding the commission, on resumption of payment, or security given. Various provisions of this kind, as it seems to me, would be essentially necessary.

Leaving this very important part of the case, another question

arises upon the proposed amendment. Shall the bankruptcy act, in its application to individuals, be voluntary only, or both voluntary and compulsory? It is well known that I prefer that it should be both. I think all insolvent and failing persons should have power to come in under its provisions, and be voluntary bankrupts; and I think too, that, as to those who are strictly merchants and traders, creditors ought to have a right to proceed against them, in the commission of the usual acts of bankruptcy, and subject them to the provisions of the act. But the committee think otherwise. They find many objections to this from many parts of the country, and especially from the West. In a country so extensive, with a people so various, with such different ideas and habits in regard to punctuality in commercial dealings, great opposition is anticipated to any measure so strict, and so penal, as a coercive bankruptcy. I content myself, therefore, with what I can get. I content myself with the voluntary bankruptcy. I am free to confess my leading object to be, to relieve those who are at present bankrupts, hopeless bankrupts, and who cannot be discharged or set free but by a bankrupt act passed by Congress. I confess that their case forms the great motive of my conduct. It is their case which has created the general cry for the measure. Not that their interest is opposed to the interest of creditors; still less that it is opposed to the general good of the country. On the contrary, I believe the interest of creditors would be greatly benefited even by a system of voluntary bankruptcy alone, and I am quite confident that the public good would be eminently promoted. In my judgment, all interests concur; and it is the duty of providing for these unfortunate insolvents, in a manner thus favorable to all interests, which I feel urging me forward on this occasion.

And now, Sir, whence does this duty arise, which appears to me so pressing and imperative? How has it become so incumbent upon us? What are the considerations, what the reasons, which have so covered our tables with petitions from all classes and all quarters, and which have loaded the air with such loud and unanimous invocations to Congress to pass a bankrupt law?

Sir, let me remind you, in the first place, that, commercial as the country is, and having experienced as it has done, and experiencing as it now does, great vicissitudes of trade and business, it is now almost forty years since any law has been in force by which any honest man, failing in business, could be effectually discharged from debt by surrendering his property. The former bankrupt law was repealed December 19, 1803. From that day to this, the condition of an insolvent, however honest and worthy, has been utterly hopeless, so far as he depended on any legal mode of relief. This state of things has arisen from the peculiar provisions of the Constitution of the United States, and from the omission by Congress to exercise

this branch of its constitutional power. By the Constitution, the States are prohibited from passing laws impairing the obligation of contracts. Bankrupt laws impair the obligation of contracts, if they discharge the bankrupt from his debts without payment. The States, therefore, cannot pass such laws. The power, then, is taken from the States, and placed in our hands. It is true that it has been decided that, in regard to contracts entered into after the passage of any State bankrupt law, between the citizens of the State having such law, and sued in the State courts, a State discharge may prevail. So far, effect has been given to State laws. I have great respect, habitually, for judicial decisions ; but it has, nevertheless, I must say, always appeared to me that the distinctions on which these decisions are founded are slender, and that they escape, without answering the great political and commercial objects intended to be secured by this part of the Constitution. But these decisions, whether right or wrong, afford no effectual relief. The qualifications and limitations, which I have stated, render them useless, as to the purpose of a general discharge. So much of the concerns of every man of business is with citizens of other States than his own, and with foreigners, that the partial extent to which the validity of State discharges reaches, is of little benefit.

The States, then, cannot pass effectual bankrupt laws ; that is, effectual for the discharge of the debtor. There is no doubt that most, if not all, the States would now pass such laws, if they had the power ; although their legislation would be various, interfering, and full of all the evils which the Constitution of the United States intended to provide against. But they have not the power ; Congress, which has the power, does not exercise it. This is the peculiarity of our condition. The States would pass bankrupt laws, but they cannot ; we can, but we will not. And between this want of power in the States, and want of will in Congress, unfortunate insolvents are left to hopeless bondage. There are probably one or two hundred thousand debtors, honest, sober, and industrious, who drag out lives, useless to themselves, useless to their families, and useless to their country, for no reason but that they cannot be legally discharged from debts, in which misfortunes have involved them, and which there is no possibility of their ever paying. I repeat, again, that these cases have now been accumulating for a whole generation.

It is true they are not imprisoned ; but they may be, and there are, restraint and bondage outside the walls of a jail, as well as in. Their power of earning is, in truth, taken away ; their faculty of useful employment is paralyzed, and hope itself becomes extinguished. Creditors, generally, are not inhuman or unkind ; but there will be found some who hold on, and the more a debtor struggles to free himself, the more they feel encouraged to hold on. The mode of reasoning is, that the more honest the debtor may be, the more in-

dustrious, the more disposed to struggle and bear up against his misfortunes, the greater the chance is, that in the end, especially if the humanity of others shall have led them to release him, their own debts may be finally recovered.

Now, in this state of our constitutional powers and duties, in this state of our laws, and with this actually existing condition of so many insolvents before us, it is not too serious to ask every member of the Senate to put it to his own conscience to say, whether we are not bound to exercise our constitutional duty. Can we abstain from exercising it? The States give to their own laws all the effect they can. This shows that they desire the power to be exercised. Several States have, in the most solemn manner, made known their earnest wishes to Congress. If we still refuse, what is to be done? Many of these insolvent persons are young men, with young families. Like other men, they have capacities both for action and enjoyment. Are we to stifle all these, forever? Are we to suffer all persons, many of them meritorious and respectable, to be pressed to the earth forever, by a load of helpless debt? The existing diversities and contradictions of State laws on the subject admirably illustrate the objects of this part of the Constitution, as stated by Mr. Madison; and they form that precise case for which the clause was inserted. The very evil intended to be provided against is before us, and around us, and pressing us on all sides. How can we, how dare we, make a perfect dead letter of this part of the Constitution, which we have sworn to support? The insolvent persons have not the power of locomotion. They cannot travel from State to State. They are prisoners. To my certain knowledge, there are many who cannot even come here to the seat of Government, to present their petitions to Congress, so great is their fear that some creditor will dog their heels, and arrest them in some intervening State, or in this District, in the hope that friends will appear to save them, by payment of the debts, from imprisonment. These are truths; not creditable to the country, — but they are truths. I am sorry for their existence. Sir, there is one crime, quite too common, which the laws of man do not punish, but which cannot escape the justice of God; and that is, the arrest and confinement of a debtor, by his creditor, with no motive on earth but the hope that some friend, or some relative, perhaps almost as poor as himself, — his mother it may be, or his sisters, or his daughters, — will give up all their own little pittance, and make beggars of themselves, to save him from the horrors of a loathsome jail. Human retribution cannot reach this guilt; human feeling may not penetrate the flinty heart that perpetrates it; but an hour is surely coming, with more than human retribution on its wings, when that flint shall be melted, either by the power of penitence and grace, or in the fires of remorse.

Sir, I verily believe that the power of perpetuating debts against

debtors, for no substantial good to the creditor himself, and the power of imprisonment for debt, at least as it existed in this country ten years ago, have imposed more restraint on personal liberty than the law of debtor and creditor imposes in any other Christian and commercial country. If any public good were attained, any high political object answered, by such laws, there might be some reason for counselling submission and sufferance to individuals. But the result is bad, every way. It is bad to the public and to the country, which loses the efforts and the industry of so many useful and capable citizens. It is bad to creditors, because there is no security against preferences, no principle of equality, and no encouragement for honest, fair, and seasonable assignments of effects. As to the debtor, however good his intentions or earnest his endeavors, it subdues his spirit, and degrades him in his own esteem; and if he attempts any thing for the purpose of obtaining food and clothing for his family, he is driven to unworthy shifts and disguises, to the use of other persons' names, to the adoption of the character of agent, and various other contrivances, to keep the little earnings of the day from the reach of his creditors. Fathers act in the name of their sons, sons act in the name of their fathers; all constantly exposed to the greatest temptation to misrepresent facts and to evade the law, if creditors should strike. All this is evil, unmixed evil. And what is it all for? What good to any body? Who likes it? Who wishes it? What class of creditors desires it? What consideration of public good demands it?

Sir, we talk much, and talk warmly, of political liberty; and well we may, for it is among the chief of public blessings. But who can enjoy political liberty if he is deprived, permanently, of personal liberty, and the exercise of his own industry, and his own faculties? To those unfortunate individuals, doomed to the everlasting bondage of debt, what is it that we have free institutions of Government? What is it that we have public and popular assemblies? Nay, to them, what is even this Constitution itself, in its actual operation, and as we now administer it, — what is its aspect to them, but an aspect of stern, implacable severity? — an aspect of refusal, denial, and frowning rebuke? — nay, more than that, an aspect not only of austerity and rebuke even, but, as they must think it, of plain injustice also; since it will not relieve them, nor suffer others to give them relief. What love can they feel towards the Constitution of their country, which has taken the power of striking off their bonds from their own paternal State Governments, and yet, inexorable to all the cries of justice and of mercy, holds it, unexercised, in its own fast and unrelenting clinch? They find themselves bondsmen, because we will not execute the commands of the Constitution — bondsmen to debts they cannot pay, and which all know they cannot pay, and which take away the power of supporting them-

selves. Other slaves have masters, charged with the duty of support and protection; but their masters neither clothe, nor feed, nor shelter; — they only bind.

But, Sir, the fault is not in the Constitution. The Constitution is beneficent as well as wise in all its provisions on this subject; but the fault, I must be allowed to say, is in us, who have suffered ourselves quite too long to neglect the duty incumbent upon us. The time will come, Sir, when we shall look back and wonder at the long delay of this just and salutary measure. We shall feel, as we now feel, when we reflect on that progress of opinion which has already done so much on another connected subject; I mean the abolition of imprisonment for debt. What should we say at this day, if it were proposed to reëstablish arrest and imprisonment for debt, as it existed in most of the States even so late as twenty years ago? I mean for debt alone, for mere, pure debt, without charge or suspicion of fraud or falsehood.

Sir, it is about that length of time, I think, since you, who now preside over our deliberations, began here your efforts for the abolition of imprisonment for debt; and a better work was never begun in the Capitol. Ever remembered and ever honored be that noble effort! You drew the attention of the public to the question, whether, in a civilized and Christian country, debt incurred without fraud, and remaining unpaid without fault, is a crime, and a crime fit to be punished by denying to the offender the enjoyment of the light of heaven, and shutting him up within four walls. Your own good sense, and that instinct of right feeling, which often outruns sagacity, carried you at once to a result to which others were more slowly brought, but to which nearly all have at length been brought, by reason, reflection, and argument. Your movement led the way; it became an example, and has had a powerful effect on both sides of the Atlantic. Imprisonment for debt, or even arrest and holding to bail for mere debt, no longer exists in England; and former laws on the subject have been greatly modified and mitigated, as we all know, in our States. "Abolition of imprisonment for debt" — your own words in the title of your own bill — have become the title of an act of Parliament.

Sir, I am glad of an occasion to pay you the tribute of my own sincere respect for these your labors in the cause of humanity and enlightened policy. For these labors thousands of grateful hearts have thanked you; and other thousands of hearts, not yet full of joy for the accomplishment of their hopes, — full, rather, at the present moment, of deep and distressing anxiety, — have yet the pleasure to know that your advice, your counsel, and your influence, will all be given in favor of what is intended for their relief, in the bill before us.

Mr. President, let us atone for the omissions of the past by a prompt and efficient discharge of present duty. The demand for

this measure is not partial or local. It comes to us, earnest and loud, from all classes and all quarters. The time is come when we must answer it to our own breasts, if we suffer longer delay or postponement. High hopes, high duties, and high responsibilities, concentrate themselves on this measure and this moment. With a power to pass a bankrupt law, — that which no other Legislature in the country possesses, — with a power of giving relief to many, doing injustice to none, I again ask every man who hears me, if he can content himself without an honest attempt to exercise that power? We may think it would be better to leave the power with the States; but it was not left with the States; they have it not, and we cannot give it to them. It is in our hands, to be exercised by us, or to be forever useless and lifeless. Under these circumstances, does not every man's heart tell him that he has a duty to discharge? If the final vote shall be given this day, and if that vote shall leave thousands of our fellow-citizens and their families, in hopeless and helpless distress, to everlasting subjection to irredeemable debt, can we go to our beds with satisfied consciences? Can we lay our heads upon our pillows, and, without self-reproach, supplicate the Almighty Mercy to forgive us our debts as we forgive our debtors? Sir, let us meet the unanimous wishes of the country, and proclaim relief to the unfortunate throughout the land. What should hinder? What should stay our hands from this good work? Creditors do not oppose it; they apply for it; debtors solicit it with importunity, earnestness, and anxiety, not to be described; the Constitution enjoins it; and all the considerations of justice, policy, and propriety, which are wrapped up in the phrase Public Duty, demand it, as I think, and demand it loudly and imperatively from our hands. Sir, let us gratify the whole country, for once, with the joyous clang of chains, — joyous because heard falling from the limbs of men. The wisest among those whom I address can desire nothing more beneficial than this measure, or more universally desired; and he who is youngest may not expect to live long enough to see a better opportunity of causing new pleasures and a happiness long untasted to spring up in the hearts of the poor and the humble. How many husbands and fathers are looking with hopes which they cannot suppress, and yet hardly dare to cherish, for the result of this debate! How many wives and mothers will pass sleepless and feverish nights, until they know whether they and their families shall be raised from poverty, despondency, and despair, and restored again to the circles of industrious, independent, and happy life!

Sir, let it be to the honor of Congress that, in these days of political strife and controversy, we have laid aside for once the sin that most easily besets us, and, with unanimity of counsel, and with singleness of heart and of purpose, have accomplished for our country one measure of unquestionable good.

S P E E C H

IN THE SENATE OF THE UNITED STATES, JUNE 5, 1840, ON MR. CLAY'S MOTION TO STRIKE OUT THE COMPULSORY PART OF THE BANKRUPT BILL.

MR. WEBSTER addressed the Senate as follows :—

THE commendable temper in which the discussion has been so far conducted, leads me to hope that now, when we are in the midst of the difficulties of the question, the Senate will indulge me in a few remarks. That there are difficulties I freely acknowledge. The subject of bankruptcies is a difficult subject every where, and perhaps particularly difficult here, as one of the results of a division of legislative powers between Congress and the States. But these difficulties are not insurmountable, and their only influence, therefore, should be to stimulate our efforts, and to increase at once our caution and our zeal.

It seems agreed, by all the friends of any bankrupt bill, that there shall be a provision for voluntary bankruptcy. The question now is, whether there ought to be also a compulsory power, or a power on the part of creditors to subject their debtors, in certain cases, to the operation of the law.

It is well known that the bill by me introduced contained such a power, and I should still prefer to retain it. But I do not think this of so much importance as some other gentlemen, and should cheerfully support a bill which should not contain it, if by so doing I should contribute to the general success of the measure. In truth, on this question, and on many others, my vote will be governed by a desire to make the bill acceptable to others.

Now, Sir, the argument for the compulsory clause is, that, without this power, the creditors have no security; that the bill is a one-sided measure, a measure for the benefit and relief of debtors only, quite regardless of the just rights of creditors. All this I deny. I maintain, on the contrary, not only that there is just security for the rights of creditors under the voluntary part of the bill, but that that part, of itself, and by itself, is of the highest value and importance to creditors. This proposition takes for granted, what I have no doubt will be found true, that persons in insolvent circumstances

will generally become voluntary bankrupts. And, in the second place, I maintain that very little value is added to the security of creditors by the compulsory part of the bill.

These are points on which I propose now particularly to address the Senate, and, with its patience, I hope to make them clear.

When I speak of creditors, I mean the class of creditors generally, or all who, in the course of business, give trust for merchandise, or other things sold, or for money loaned.

When I speak of the creditors of insolvents, I mean the creditors, in the mass, of such persons as are actually and really insolvent,—that is, unable to pay their debts,—whether their insolvency be known and acknowledged or not.

And to creditors, and the rights of creditors, in both these senses and uses of the word, I maintain that the provisions contained in the voluntary part of this bill are of great value.

The rights of creditors are the means which the laws furnish for the enforcement and collection of their debts. In the case of an insolvent debtor, the laws at present give to the creditor, among other things, a right to pursue and demand his future earnings. This right the present bill proposes to take away.

The question is, therefore, whether, in taking away this right, the bill provides for the creditor any just equivalent.

I do not admit, indeed, that by a bankrupt law we might not take away some of the existing rights, or remedies, of creditors, if it should appear just and proper to do so, without providing any new right or remedy as an equivalent. The relation of debtor and creditor forms a general subject of legislation. The proper law-making power may act upon this relation, and alter and modify it, upon principles of general policy, justice, and utility, whenever it sees fit.

But I am willing to occupy a narrower ground, and to undertake to show that, by the provisions of this bill, we leave creditors in a better condition than we found them; in other words, that, as a voluntary system alone, it is beneficial to creditors.

The law, it is proposed, shall last some few years, that Congress and the country may see what is its actual operation. It will act immediately after it shall have passed; and this operation, as I maintain, will be favorable to creditors. In other words, the law will be useful to creditors, in the creation of debts. It will, I insist, increase the probability that he who parts with his money or his merchandise, on credit, will be paid for his merchandise,* or repaid his money. Sir, we live in a highly commercial country, and a highly commercial and enterprising age. The system of credit, which I hold to be very useful, and, indeed, essential to our general prosperity, may, no doubt, be carried to excess. There is such a thing as over-trading, and such a thing as false credit; and both these things are public evils. All admit this; and many think

the evils so great, that they seem to be enemies to the credit system altogether. I am not one of these ; but still I desire to keep credit within bounds, and to avoid over-trading.

Now, Sir, what is it that upholds so much false credit ? What is it that enables men to extend their transactions so far beyond their capital ? What is it that enables them, also, to go on, often for a long time, after they become really insolvent ? Sir, it is the practice of endorsement and suretiship — a practice, I venture to say, more extensive in the United States than in any other country. Men get trust upon the strength of other men's names. I do not speak of the discount of notes and bills taken in the common operations of sale and purchase, but I speak of pure accommodation, of the discount of paper representing no transaction of sale or purchase, but made for borrowing money merely, and endorsed for the sole accommodation of the borrower. That great excesses have been committed in operations of this kind, no man who has attended to the transactions of trade can doubt ; nor can any one doubt that great evils arise from this source. Endorsement and suretiship, therefore, are the means by which excessive and false credit is upholden. And how is this endorsement obtained ? This leads us one step farther in the inquiry. How is it that persons, continuing to carry on business after they are really insolvent, and are suspected, if not known, to be so, can procure others to endorse their paper ? Sir, we all know how it is. It is by promising to secure endorsers at all events. It is by giving an assurance that, if the party stops, a preference shall be made, and the favored creditors shall be his endorsers. Hence it is quite general, perhaps universal, that, when an insolvent assigns his property for the benefit of his creditors, he classifies his creditors, and puts endorsers into the first class. This has become a sort of honorary law. A man that disregards it, is, in some measure, disgraced. We hear daily of honorary debts, and we hear reproaches against those who, being insolvent, have yet pushed on, in the hope of retrieving their affairs, until, when failure does come, — and come it does, sooner or later, — they have not enough left to discharge these honorary obligations. Now, at the bottom of all this is preference. The preference of one creditor to another, both debts being honest, is allowed by the general rules of law, but is not allowed by bankrupt laws. And this right of preference is the foundation on which the structure rests.

On the legal right or power of preference lies the promise of preference.

On the promise of preference lies endorsement.

On endorsement lies extensive and false credit.

On excessive and false credit lies over-trading.

This, Sir, is the regular stratification. If we strike out prefer-

ence, we shall knock away the foundation stone. And this bill will strike it out.

If this bill shall pass, every endorser, who shall not take previous security, will see that, in case of failure, he can no longer be protected, or preferred, but must come in for his share, and his share only, with other creditors. And this is right. For one, I have always thought that, if any difference were to be made, endorsers should be paid last, because they come in as volunteers — they profess to run a risk. They are not giving credit in the common way, as other persons do, who sell on trust, in the ordinary way of business, and in order to earn their livelihood; but they assume a voluntary responsibility. And why should they be preferred to the grocer, the tailor, or the butcher, who has only dealt in the common way of his trade, and has not volunteered to give any trust or credit whatever? Well, Sir, will not endorsement stay its hand when this bill shall have taken away all power of preference? Will not men hesitate, more than they now do, about lending their names, when they find that, in case of failure, they must come in for neighbor's fare, with all other creditors? I think they will.

And, Sir, if there be less of endorsement, there will be less of fictitious credit, and less of over-trading. Every man's business will be brought down so much the nearer to his own property, his own capital, and his own means. And, if every trading man's business be brought down to some nearer proportion to his own capital, and his own means, does not this diminish the probability of his failure? Certainly it does; and, therefore, whoever deals with him, and trusts him, is not so likely to lose his debt. There will be more general security in giving credits. And, therefore, I say that, if you take away the power and practice of preference, you affect, to some extent, false credit and over-trading; and, by these means, you give a security to the creditor, even in the creation of his debt; and this is one advantage, to the whole class of creditors, to be expected from this bill. It is a general advantage, and its precise amount cannot be stated; but it is a clear advantage, nevertheless.

But there is a second, and a still greater advantage.

Mr. President, allow me to ask, What is that feature — the capital feature — which we most often see, in the insolvencies which take place among the trading classes? What is that which there is the more frequent occasion to regret and to reprehend? Is it not that the party has gone on too long? Is it not that, after he knew himself to be really insolvent, — that is, after he knew he had not property enough left to pay his debts, — instead of stopping, and winding up his concerns, he has ventured still deeper, and made his ultimate case thereby still more desperate? Under the present state of law,

this happens quite too often. I am afraid it would be found, on inquiry, that failures are generally worse in this country than elsewhere; that is to say, that generally the amount of assets is less in proportion to the amount of debts.

And, in my opinion, the present state of the law encourages and produces this result. For, Sir, let me ask, What will a man naturally do, who has been unfortunate, and has sustained such losses as to bring his property below his debts, while this is known to himself, and not known to others? If he stops and surrenders, however honestly and fairly, he cannot be sure of a discharge, and the unpaid balance may keep him a pauper for life. On the other hand, he sees that another voyage, another speculation, some new turn of fortune, may possibly relieve him, and bring him out a man of property.

On one side, poverty for life is his only prospect, and only destiny, so far at least as the law allows him any ground of hope; and on the other, there is some chance of escape. Now, Sir, I will ask any sensible man, if a state of law could be devised more likely to encourage headlong enterprise and rash speculation? Can you place a man in a condition where he will be more likely to throw himself upon desperate chances, and to plunge deeper and deeper?

We are not without experience on this point, and much instruction may be gathered from one memorable instance. The great fire in New York is supposed to have destroyed property to the amount of twenty or twenty-five millions of dollars, in houses, warehouses, and merchandise. But nobody failed. This is a fact full of admonition. I pray attention to it. Nobody failed, notwithstanding this immense loss of property; and what was the reason? No one doubts that hundreds were rendered deeply insolvent by this so extensive calamity. Why, then, did they not stop? The answer is, that the extent of their losses was, in many cases, known only to themselves, and they concealed their own true condition. And they had strong motives so to do. If they announced themselves insolvent, and stopped, nothing was before them and their families, for their whole lives, but poverty and distress. On the other hand, there was a possibility of hope that, if they could maintain their credit, they might, by extreme exertion and extreme good fortune, extricate themselves. On the strength of that hope, slight as it was, they buoyed themselves up, and tried to stem the current which was carrying them, notwithstanding all their struggles, to utter and desperate bankruptcy. They paid exorbitant interest for money; they suffered themselves to be jewed in every dark alley in the city; they sacrificed every thing to maintain their credit, and, in the end, when every thing else was gone, credit went also. And when they finally failed, where was the fund for dividend to creditors? Why, Sir, it had gone to the pocket of the capitalist; it had

been devoured by the voracity of usury. I know of one instance in which a merchant paid more than fifty thousand dollars, extra and unlawful interest, for the purpose of upholding his credit, and failed after all. And there are well-authenticated cases of payment of still larger sums. Boundless extras and cool exorbitancy were thus suffered to eat up what belonged to creditors.

Now, Sir, would it not have been better for all parties, and for the public, that these unfortunate persons should have stopped payment the morning after the fire, assigned all that was left of their property, and received a discharge? And this, be assured, many of them would have done, if the law had provided that by so doing they might have obtained that discharge. But there was no such legal provision; they had no hope on that side, but from the consent of *all* their creditors, and they believed that *all* would not consent; and therefore there was no way left to them but to keep on, wading into deeper water at every step, and stopping at last with nothing to divide save among endorsers.

Mr. President, we hear it frequently said that all honest debtors may always obtain discharges from their creditors upon an honest assignment of their effects. This is the language of the memorial of the Board of Trade, and this is the language, especially, of the letter to the honorable member from New York, which has been read. Sir, such is not my opinion, nor the fruit of my experience. I believe that creditors are generally humane and just; but there will be some, always, or often, who are selfish, unjust, or indifferent. There will be some, often, who will not compound. The man, therefore, who would stop, since he knows he is insolvent, if he could be sure of a discharge, cannot be sure of it. He may be as honest as possible; he may strip himself of the last farthing; but yet he cannot promise himself any release. It is notorious that some creditors will and do hold on; and as to the debtor, this is as decisive as if all did so.

Now, Sir, this bill proposes an object to a man whose circumstances have become insolvent, and makes that object sure. It tells him, by way of inducing him to stop in season, and before he has wasted his property, that, by assigning, and acting honestly in all things, he shall have a discharge; that no unreasonable creditor shall be able to prevent it; and with this certainty before him, he will stop in season, or, at least, is much more likely to stop in season, than he is at present.

This, then, Sir, is the second benefit which this bill confers on creditors. And who will deny that it is a clear and a great benefit? It holds out a strong inducement to debtors to stop in season, and to distribute their property honestly, while they have yet property to distribute, and before they have wasted it all in useless sacrifices to retrieve their affairs.

But there is a third benefit which this bill confers on creditors. It takes away the power and the motive of concealment. Under the present state of things, the motives of an insolvent man lead in the opposite direction of his duties. Every thing is brought to bear against his honesty and integrity. He has every temptation to conceal his property; and there are many ways in which he may conceal it. If he surrenders all, he cannot be discharged, and, therefore, will be in no condition to earn any thing more. He may, therefore, not choose to surrender, and may set his creditors at defiance. I have heard of an instance, in which a man failed for one hundred and fifty thousand dollars, and he showed assets to the amount of eighty thousand, and there was no reason to suppose that he had any more, or had acted dishonestly in any way. He offered to give all up for a discharge; but while most of his creditors were willing to discharge him on such a surrender, some were not. A year afterwards, he renewed his offer of giving up all, but his property had by this time become diminished by ten thousand dollars, so that he had but seventy thousand to offer; and the obstinate creditors of last year were now willing to take what was then offered, but would not take less; and so the process of offer and refusal went on; and the last I heard of the case, this proceeding was likely to result in the creditors' getting nothing, and the debtor's becoming a beggar.

If there be not many cases exactly like this, or quite so strong in all their circumstances, there are still very many which much resemble it; and this bill will put an end to them all.

Sir, the great power by which the debtor is to be moved to act honestly and fairly, is his hope of a discharge. This is to him every thing. Hardly any earthly object, in his view, can be greater. It is this which is to reinstate him in a condition of effort and action. Creditors can obtain a benefit, by means of this, far superior to any good which they can ever get by holding on to his future earnings. Generally, this last right is good for nothing to the mass of creditors, though sometimes an individual may profit by it. In some cases, it is true, where the amount of debt is small, the bankrupt will struggle hard to earn the means of payment, that he may afterwards work for himself. But if the amount be large, he will make no such effort. He will not work altogether for his creditors. Not only will he not do that, but, as I have already said, he is under strong temptation to retain and conceal what he already possesses. I need not say of what evil consequence all this is. I need not say what ill-will naturally grows up between debtors and creditors standing in this relation. The creditor thinks his debtor unjust and roguish; the debtor regards his creditor as remorseless and cruel; and mutual reproaches and deep bitterness of feeling are often the result. How much better, Sir,—how much better, every

way,—that the law, by its timely interference, should give the debtor's property to whom it belongs, and set him free to begin a new career of industry and usefulness!

And in the fourth place, Sir, this bill gives the creditors an *equal* distribution of the debtor's effects. In the present state of things, a bankrupt may pay one creditor all, and another nothing; and he who gets nothing may, perhaps, fail himself, when, if he could have received his just proportion, he might have been saved. The great interest of the mass of creditors is, that the debtor's effects shall be *equally* divided among them all. At present, there is no security for such equal division, and this bill proposes to give that security. And I repeat, that if any thing ever comes of the power of a creditor to hold on upon his debt, in the hope of getting something out of the future earnings of a notoriously insolvent debtor, it is usually not the mass of creditors, but only some one of them who gets any thing; and that one, very likely, may be he who deserves least.

These, Mr. President, are the securities, the new securities, the important securities, which this bill furnishes to the creditors. If there be nothing in them, let that be shown; but until it is shown, let it not be said that there is nothing in this bill for the creditors' benefit.

And, Mr. President, these provisions belong to the voluntary as well as the involuntary parts of the bill. The real reciprocity, the real equivalent, must be looked for in the provisions made for conducting the proceedings, and not in the source in which the proceedings originate. Suppose creditors to have ever so full a power of declaring their debtors bankrupts; this would not avail them, unless proper provisions were made for a full assignment and fair distribution of the property.

On the other hand, if such provisions be made, the creditor is secured, although the proceedings originate with the debtor himself. It may be wise, or it may be unwise, to retain the coercive clauses; but, whether retained or not, they do not constitute the true equivalent or reciprocal benefit of the creditor. The real state of the case stands thus: The benefit of a debtor consists in obtaining a discharge; this he shall have, but, in order to obtain it, he shall give the creditors the benefit of a full and honest surrender of all his property; he shall show, if a merchant, that he has kept proper and regular books of account; it must not appear that there has been any false swearing on his part, or the concealment of any part of his property; or that he has admitted any false or fictitious debt against his estate; or that he has applied any trust money to his own use; or that he has paid any debt by way of preferring one creditor to another, in contemplation of bankruptcy. And the Senate, if they see fit, may insert that the consent of creditors should be necessary to his discharge, though, for one, I should never consent

to that, without reserving a right to the debtor to summon dissenting creditors to appear before the proper tribunal, and show some just reason for withholding their assent.

I have now, Sir, gone through with all that I proposed to say upon the voluntary part of this bill. My undertaking was, to show that that part of the bill does, by itself, and of and in itself alone, contain provisions of the highest importance to creditors, and the security of creditors; and, on the various points which I have noticed, I am ready to meet any gentleman who may choose to contest the matter. The opinions which I have expressed I hold with confidence, and am willing to defend them, and to submit them to the judgment of all men of experience.

My second general proposition was, that, whether it were advisable, on the whole, or not, to retain the compulsory part, yet that part did not give any important addition to the security of creditors; and that, therefore, it was not of great consequence whether it be retained or not.

In the first place, let us remember that the form of proceeding is the same, after its commencement, whether it be begun by the debtor or his creditor. If there be any benefit to the creditor at all in the compulsory part, it must be in the mere power of declaring his debtor a bankrupt under certain circumstances, and of making him, willing or unwilling, go through the bankrupt process. Now, the difficulty is, that, though this power might sometimes be beneficial to the creditor, yet it is next to impossible so to describe the circumstances which shall constitute a just occasion for the exercise of the power, as not to leave it still, in a great measure, a voluntary matter with the debtor, when he will subject himself to the provisions of the law. This has been found the difficulty in all systems; and most bankruptcies are, therefore, now substantially voluntary. Those acts which are, in this bill, called acts of bankruptcy, and which, if committed, shall enable a creditor to sue out a commission against his debtor, are, nearly all of them, voluntary acts, which the debtor may perform or not, at his pleasure, and which, of course, he will not perform, if he wishes to avoid the process of bankruptcy.

These acts, as stated in the bill, are, secretly departing from the State, with intent to defraud his creditors; fraudulently procuring himself to be arrested, or his lands and goods attached or taken in execution; removing or concealing his goods, to prevent their being levied upon or taken by legal process; making any fraudulent conveyance of his lands or goods; lying in jail twenty days for want of bail, or escaping from jail, or not giving security according to law, when his lands or effects shall be attached by process.

Most of these acts an insolvent may avoid the commission of, if he choose, especially as there are now few instances of imprison-

ment for debt. The acts of bankruptcy, according to the British statute, are very much like those in this bill. But a trader may declare himself insolvent, and thereupon a commission may issue against him; and that is supposed to be now the common course. Creditors will seldom, if ever, use this power. A creditor, desirous of proceeding against his debtor for payment or security, naturally acts for himself alone. He arrests his person, attaches his property, if the law allows that to be done, or gets security for his own debt the best way he can, leaving others to look out for themselves. Concert among creditors, in such cases, is not necessary, and is uncommon; and a single creditor, acting for himself only, is much more likely to take other means for the security of his debt than that of putting his debtor into bankruptcy. Nevertheless, I admit there are possible cases in which the power might be useful. I admit it would be well if creditors could sometimes stop the career of their debtors; and, if the honorable member from New York, or any other gentleman, can frame a clause for that purpose, at once efficient and safe, I shall vote for it. Even as these clauses now stand, I should prefer to have them in the bill; my original proposition having been, as is well known, that there should be both compulsory and voluntary bankruptcy; and I vote now to strike the provision out, only because others, I find, object to it, and because I do not think it of any great importance.

I proceed, Sir, to take some notice of the remarks of the honorable member from New York; and what I have first to say is, that his speech appeared to me to be a speech against the whole bill, rather than a speech in favor of retaining the compulsory clause. He pointed out the evils that might arise from the voluntary part of the bill; but every one of them might arise, too, under the other part. He spoke of the hardship to creditors in New York,—that they should be obliged to take notice of the insolvency of their debtors in the Western States, and to go thither to prove their debts, or resist the discharge. But this hardship, certainly, is no greater when the Western debtor declares himself bankrupt, than when he commits an act of bankruptcy, on which some Western creditor sues out a commission against him.

All the other inconveniences, dangers, or hardships to creditors, which the honorable gentleman enumerated, were, in like manner, as far as I recollect, as likely to arise when a creditor puts the debtor into bankruptcy, as when he puts himself in. The gentleman's argument, therefore, is an argument against the whole bill. He thinks Eastern creditors of Western debtors will be endangered, because State Legislatures, in States where debtors live, as well as commissioners, assignees, &c., will have all their sympathies on the side of the debtors. Why, Sir, State Legislatures will have nothing to do with the matter, under this bill; and as to the rest, how is it

now? Are not creditors, now in the power of local administrations, affected, in all respects, by these same sympathies? Are there no instances, indeed, and is there no danger of laws staying process, embarrassing remedies, or otherwise interrupting the regular course of legal collection? For my own part, I cannot doubt that a New York merchant, learning that his debtor in the South or West was in insolvent or failing circumstances, would prefer that his affairs should be settled in bankruptcy, in the courts of the United States, much sooner than he should settle them himself, paying whom he pleased, and disposing of his property according to his own will, or under the administration of the insolvent laws of the State.

The gentleman seemed to fear that, if Western traders may make themselves bankrupts, New York merchants will be shy of them, and that Western credit will be impaired or checked. Perhaps there would be no great harm if this should be so. A little more caution might not be unprofitable; but the answer to all such suggestions is, that the bill applies only to cases of insolvents, actual, real insolvents; and, when traders are actually insolvent, the sooner it is known the better, nine times out of ten. Nor do I feel any alarm for our mercantile credit abroad, which has awakened the fears of the gentleman. What can foreign merchants suppose better for them than such an administration of the effects of debtors here, as that, if there be foreign creditors, they shall be sure of a just and equal dividend, without preference either to creditors at home or endorsers? It is not long since, in some of the States, — I hope it is not so any where now, — that creditors within the State had preference over creditors out of it. And, if we look to other countries, do we find that well-administered systems of bankruptcy enfeeble or impair mercantile credit? Is it so in regard to England, or to France?

The honorable member feels alarm, too, lest the banks should be great sufferers under the operation of this bill. He is apprehensive that, if it shall pass, very many debtors of the banks will become bankrupts, pay other creditors, more or less, and pay the banks nothing. Sir, this is not according to my observation. Bank debts are usually preferred debts, because they are debts secured by endorsement. But, by mentioning the case of the banks, the gentleman has suggested ideas which I have long entertained, and which I am glad of this opportunity to express briefly, though I shall not dwell on them.

Sir, a great part of the credit of the country is bank credit. A great part of all endorsement and suretiship is bank endorsement and bank suretiship. I do not speak particularly of the great cities; I speak of the country generally. Now, endorsement, as I have already said, rests on the idea of preference. And, if we

take away preference, do we not diminish bank endorsement and bank accommodation? And do we not, in this way, act directly on the quantity of bank paper issued for circulation? Do we not keep the issues of paper nearer to the real wants of society? This view of the case might be pressed and amplified. There is much in it, if I am not mistaken. For the present, I only suggest it; but he who shall consider the subject longest, and deepest, will be most thoroughly convinced that, in this respect, as well as others, the abolition of preference to endorsers will act beneficially to the public.

The immediate motion before the Senate, Mr. President, does not justify a further extension of my observations on this part of the case. My object has been to prove that this bill is not one-sided, is not a bill for debtors only, but is, what it ought to be, a bill making just, honest, and reasonable provisions for the distribution of the effects of insolvents among their creditors; and that the voluntary part of the bill alone secures all these principal objects, because, in the great and overruling motive of obtaining a discharge, it holds out an object to debtors, who know themselves to be insolvent, to stop, to stop seasonably, to assign honestly, and to conform, in good faith, to all the provisions intended for the security of their creditors.

SPEECH

DELIVERED AT THE GREAT MASS-MEETING AT SARATOGA,
NEW YORK, AUGUST 19, 1840.

WE are, my friends, in the midst of a great movement of the people. That a revolution in public sentiment on some important questions of public policy has begun, and is in progress, it is vain to attempt to conceal, and folly to deny. What will be the extent of this revolution — what its immediate effects upon political men and political measures — what ultimate influence it may have on the integrity of the Constitution, and the permanent prosperity of the country, remains to be seen. Meantime, no one can deny that an extraordinary excitement exists in the country, such as has not been witnessed for more than half a century — not local, nor confined to any two or three, or ten States, but pervading the whole, from North to South, and from East to West, with equal force and intensity. For an effect so general, a cause of equal extent must exist. No cause, local or partial, can produce consequences so general and universal. In some parts of the country, indeed, local causes may in some degree add to the flame; but no local cause, nor any number of local causes, can account for the general excited state of the public mind.

In portions of the country devoted to agriculture and manufactures, we hear complaints of want of market and of low prices. Yet there are other portions of the country which are consumers, and not producers, of food and manufactures; and, as purchasers, they should, it would seem, be satisfied with the low prices of which the sellers complain; but in these portions, too, of the country, there is dissatisfaction and discontent. Every where, there is complaining and a desire for change.

There are those who think this excitement among the people transitory and evanescent. I am not of that opinion. So far as I can judge, attention to public affairs among the people of the United States has increased, is increasing, and is not likely to be diminished; and this not in one part of the country, but all over it. This certainly is the fact, if we may judge from recent information. The breeze of popular excitement is blowing every where. It fans the air in Alabama and the Carolinas; and I am of opinion, that

when it shall cross the Potomac, and range along the northern Alleghanies, it will grow stronger and stronger, until, mingling with the gales of the Empire State, and the mountain blasts of New England, it will blow a perfect hurricane.

There are those, again, who think these vast popular meetings are got up by effort; but I say that no effort could get them up, and no effort can keep them down. There must, then, be some general cause that animates the whole country. What is that cause? It is upon this point I propose to give my opinion to-day. I have no design to offend the feelings of any, but I mean in perfect plainness to express my views to the vast multitude assembled around. I know there are among them many who from first to last supported General Jackson. I know there are many who, if conscience and patriotism had permitted, would support his successor; and I should ill repay the attention with which they may honor me by any reviling or denunciation. Again, I come to play no part of oratory before you. If there have been times and occasions in my life when I might be supposed anxious to exhibit myself in such a light, that period has passed, and this is not one of the occasions. I come to dictate and prescribe to no man. If my experience, not now short, in the affairs of government, entitle my opinions to any respect, those opinions are at the service of my fellow-citizens. What I shall state as facts, I hold myself and my character responsible for; what I shall state as opinions, all are alike at liberty to reject or to receive. I ask such consideration for them only as the fairness and sincerity with which they are uttered may claim.

What, then, has excited the whole land, from Maine to Georgia, and gives us assurance that while we are meeting here in New York in such vast numbers, other like meetings are holding throughout all the States? That this cause must be general, is certain, for it agitates the whole country, and not parts only.

When that fluid in the human system indispensable to life becomes disordered, corrupted, or obstructed in its circulation, not the head or the heart alone suffers, but the whole body — head, heart, and hand, all the members, and all the extremities — is affected with debility, paralysis, numbness, and death. The analogy between the human system and the social and political system, is complete; and what the life-blood is to the former, circulation, money, currency, is to the latter; and if that be disordered or corrupted, paralysis must fall on the system.

The original, leading, main cause, then, of all our difficulties and disasters, is the disordered state of the circulation. This is, perhaps, not a perfectly obvious truth; and yet it is one susceptible of easy demonstration. In order to explain this the more readily, I wish to bring your minds to the consideration of the internal condition, and the vast domestic trade, of the United States. Our

country is not a small province or canton, but an empire, extending over a large and diversified surface, with a population of various conditions and pursuits. It is in this variety that consists its prosperity ; for the different parts become useful one to the other, not by identity, but by difference, of production, and thus each by interchange contributes to the interest of the other. Hence, our internal trade — that which carries on this exchange of the products and industry of the different portions of the United States — is one of our most important, I had almost said, the most important interest. Its operations are easy and silent, not always perceptible, but diffusing health and life throughout the system by the intercourse thus promoted from neighborhood to neighborhood, and from State to State.

Let me explain this a little in detail. You are here in a grain-growing State. Your interest, then, is to have consumers, not growers of grain. The hands that, in that broad belt which stretches across the country, in which grain best succeeds, grow wheat, are interested to find mouths elsewhere to consume what they raise. The manufacturers of the North and East need the grain of the Middle States, and the cotton of the South, and these in turn buy the manufactures of the East. Nor is this solely matter of interest, but is in some degree brought about by the regulations of foreign governments. Our manufactures find no sale in Europe ; and much of our grain is, under ordinary circumstances, excluded from its markets. In France it is never admitted, and in England contingently and uncertainly only, and in a manner to tantalize rather than gratify the American husbandman.

The internal trade, moreover, moves as it were in a circle, and not directly : the great imports of the country are made in New York, whence they pass to the South and to the West ; but our exports are not mainly from New York, but from the South : the main imports, then, are made at one corner of the Union, and the exports from another. The same thing is true of other branches of trade. The produce of Ohio, much of it, descends the river to New Orleans ; but Ohio is supplied with foreign commodities and domestic fabrics mainly through the New York Canals, the Lakes, and the Ohio Canal. The live stock of Kentucky goes to the Carolinas ; but Kentucky buys nothing there, but transmits the money to Baltimore, Philadelphia, and New York, and in those cities procures what she wants, to be sent to her across the Alleghanies.

This circuit of trade, in a country of such great extent as ours, demands, more than in any country under heaven, a uniform currency for the whole people ; that what is money in Carolina shall be so elsewhere ; that what the Kentucky drover receives, what the planter of Alabama sells for, what the laborer in New York

gets in pay for his work, and carries home to support his family, shall be of ascertained and uniform value.

This is not the time nor the occasion for an essay or dissertation on money ; but I mean distinctly to express the opinion, that until the General Government shall take in hand the currency of the country, until that Government shall devise some means—I say not what—of raising the whole currency to the level of gold and silver, there can be no prosperity.

Let us retrace briefly the history of the currency question in this country—a most important branch of the commercial question. I appeal to all who have studied the history of the times, and of the Constitution, whether our fathers, in framing the Constitution which should unite us in common rights and a common glory, had not also, among their chief objects, to provide a uniform system of commerce, including a uniform system of currency, for the whole country. I especially invite the ingenuous youth of the country to go back to the history of those times, and particularly to the Virginia resolutions of 1786, and to the proceedings of the convention at Annapolis—and they will there find the prevailing argument for forming a General Government, was, to secure a uniform system of commerce, of custom-house duties, and a general regulation of the trade, external and internal, of the whole country. It was no longer to be the commerce of New York, or of Massachusetts, but of the United States, to be carried on under that star-spangled banner, which was to bear, and into every sea, the glorious motto *E Pluribus Unum*.

This being a chief and cherished object, when the first Congress under the Constitution assembled in New York, General Washington, in his speech, naturally drew its attention to the necessity of a uniform currency, looking, probably, at that time, to the mint first established in Philadelphia, to provide that currency.

What I wish to say is, that the difference in the currencies of the several States, and the want of a uniform system, both of commerce and currency, being among the chief inconveniences to be remedied by the establishment of the Constitution, the subject very naturally and properly attracted the early attention of the President, at the first session of the first Congress.

At the second session, the United States Bank was established. Without detaining you by quoting papers or speeches of that day, I will simply refer any one, curious to inquire, to the official documents of the time, and to the contemporaneous expressions of public opinion on the leading measures of that day, for proof that, while one object of incorporating a National Bank was, that it might occasionally make loans to Government, and take charge of the disbursement of its revenues, another object, quite as prominent and important, was to furnish a circulation—a paper circulation

—founded on national resources, that should be current all over the country. General Washington had the sagacity to see, what, indeed, minds less sagacious than his could not fail to perceive, that the confidence reposed in the United States under the Constitution, would impart to whatever came from Congress more authority and value, than could attach to any thing emanating from any single State.

The assumption by Congress of the State debts illustrates this remark; for the moment the United States became bound for those debts, and proceeded to fund them, they rose enormously and rapidly in value.

General Washington and his advisers saw that a mixed currency, if the paper had the mark of the Union, and bore on it the spread eagle, would command universal confidence throughout the country; and the result proved the wisdom of their foresight. From the incorporation of the Bank to the expiration of its charter, embracing a period of great commercial and political vicissitudes, the currency of that Bank was never objected to: it, indeed, surpassed the hopes and equalled the desires of every body. The charter expired in 1811 — how, or why, or from what state of parties, it is not my purpose to discuss — but the charter was not renewed. War with England was declared in June, 1812. Immediately upon the declaration of war, all the Banks south of New England stopped payment, and those of New England ceased to issue notes; and thus, in fact, the specie paying in those States, amounted to little or nothing. At the close of the war, the condition of the currency, which had become very much deranged, not improving, Mr. Madison presented the subject to Congress. In his messages, both in 1814 and 1815, he dwelt earnestly on the subject; and in 1816 the second Bank of the United States was incorporated, and went at once into operation. At its outset, owing possibly to mismanagement — perhaps unavoidably — the Bank met with heavy losses; but it fulfilled its functions in providing a currency for the whole country; and, neither during the eight years of President Monroe's administration, nor the four years of President Adams's, were any complaints on that score heard. And now I desire to call attention to a particular fact. There were several candidates for the Presidency to succeed Mr. Monroe — General Jackson, Mr. Adams, Mr. Crawford, and Mr. Clay. None of them received a sufficient number of votes from the electors to be chosen President. General Jackson received the largest number of any; but the House of Representatives chose John Quincy Adams President. From that moment a fierce opposition was commenced against Mr. Adams's administration. I do not propose to discuss the character or conduct of this opposition. The fact of its existence is all that I have to do with

now, and to remind you that, from the inauguration, in March, 1825, to March, 1829, an opposition, distinguished for its remarkable ability, perseverance, and ultimate success, was carried on under the name and flag of General Jackson.

All other candidates had disappeared. General Jackson was the sole opponent; and four years of active, angry political controversy ensued — during which, every topic of complaint that could be dragged into the vortex, was dragged in; and yet — *I beg special attention to this fact* — not once, during this four years' controversy, did *General Jackson* himself, or any press in his interest, or any of his friends in Congress or elsewhere, raise a single voice against the condition of the currency, or propose any change therein. Of the hundreds here, possibly, who supported Jackson, not one dreamed that he was elected to put down established institutions, and overthrow the currency of the country. Who, among all those that, in the honest convictions of their hearts, cried, Hurrah for Jackson! believed, or expected, or desired, that he would interfere with the Bank of the United States, or destroy the circulating medium of the country. [Here there arose a cry from the crowd, "None! none!"] I stand here upon the fact, and defy contradiction from any quarter, that there was no complaint, then, any where, of the Bank. There never was, before, a country of equal extent, where exchanges and circulation were carried on so cheaply, so conveniently, and so securely. General Jackson was inaugurated in March, 1829, and pronounced an address upon that occasion, which I heard, as I did the oath he took to support the Constitution. In that address were enumerated various objects, requiring, as he said, Reform; but among them was not the Bank of the United States, nor the currency. This was in March, 1829. In December, 1829, General Jackson came out with the declaration (than which, none I have ever heard surprised me more) that "the constitutionality of the Bank of the United States might be well questioned," and that it had failed to furnish a sound and uniform currency to the country.

What produced this change of views? Down to March of the same year, nothing of this sort was indicated or threatened. What, then, induced the change? [A voice from the crowd said, "*Martin Van Buren*."] If that be so, [immediately rejoined Mr. WEBSTER,] it was the production of mighty consequences by a cause not at all proportioned. I will state, in connection with, and in elucidation of, this subject, certain transactions, which constitute one of those contingences in human affairs, in which casual circumstances, acting upon the peculiar temper and character of a man of very decided temper and character, affect the fate of nations. A movement was made in the summer of 1829, in order to effect a change in certain officers of the Branch of the Bank of the United States

in Portsmouth, N. H. Mr. Woodbury, then a Senator from New Hampshire, transmitted to the President of the Bank at Philadelphia, a request, purporting to proceed from merchants and men of business of all parties, asking the removal of the President of that Branch, *not on political grounds*, but as acceptable and advantageous to the business community. At the same time, Mr. Woodbury addressed a letter to the then Secretary of the Treasury, Mr. Ingham, suggesting that his Department should, on *political* grounds, obtain from the Mother Bank the removal of the Branch President. This letter was transmitted to the President of the Mother Bank, and reached him about the same time as the other; so that, looking upon this picture and upon that, upon one letter that urged the removal on political grounds, and on the other that denied that political considerations entered into the matter at all, he concluded to let things remain as they were. Appeals were then artfully made to the President of the United States. His feelings were enlisted, and it is well known that, when he had an object in view, his character was to go ahead. I mean to speak no evil nor disrespect of General Jackson. He has passed off the stage to his retirement at the Hermitage, which it would be as well, perhaps, that friends should not disturb, and where I sincerely wish he may, in tranquillity, pass the residue of his days. But General Jackson's character was imperious—he took the back track never; and however his friends might differ, or whether they concurred or dissented, they were fain always to submit. General Jackson then put forth the pretension that appointments by the Bank should have regard to the wishes of the Treasury; the matter was formally submitted to the Directors of the Bank, and they as formally determined that the Treasury could not rightfully or properly have any thing to say in the matter. A long and somewhat angry correspondence ensued; for General Jackson found, in the President of the Bank, a man who had something of a spice of his own quality. The result was, that the Bank resisted, and refused the required acquiescence in the dictations of the Treasury.

This happened in the summer and autumn of 1829, and in December we had the message, in which, for the first time, the Bank was arraigned and denounced. Then came the application of the Bank for re-incorporation, the passage of a bill for that purpose through both Houses, and the President's *Veto* on it. The Bank of the United States being thus put down, a multitude of new State Banks sprang up: and next came a law, adopting some of these as Deposit Banks. Now, what I have to say in regard to General Jackson in this matter, is this: he said he could establish a better currency; and, whether successful or not in this, it is at least to be said in his favor and praise, that he never did renounce the obligation of the Federal Government to take care of the

currency — paper as well as metallic — of the people. It was in furtherance of this duty, which he felt called on to discharge, of “providing a better currency,” that he recommended the exclusion of small bills. Why? Because, as it was argued, it would improve the general mixed currency of the country; and, although he did not, as distinctly as Mr. Madison, admit and urge the duty of the Federal Government to provide a currency for the people, *he never renounced it*, but, on the contrary, in his message of December, 1835, holds this explicit language: —

“By the use of the State Banks, which do not derive their charters from the General Government, and are not controlled by its authority, it is ascertained that the moneys of the United States can be collected and distributed without loss or inconvenience, *and that all the wants of the community, in relation to exchange and currency, are supplied as well as they have ever been before.*” — [Message, Dec. 2, 1835.]

It is not here a question whether these Banks did, or not, effect the purpose which General Jackson takes so much praise to himself of accomplishing through their agency — that of supplying the country with as good a currency as it ever enjoyed. But why, if this was not a duty of the Federal Government, is it mentioned at all? In his last message, in December, 1836, reviewing the benefits! of his experiments on the currency, he thus speaks: —

“At the time of the removal of the deposits, it was alleged by the advocates of the Bank of the United States, that the State Banks, whatever might be the regulations of the Treasury Department, could not make the transfers required by the Government, or *negotiate the domestic exchanges of the country.* It is now well ascertained *that the real domestic exchanges performed through discounts by the United States Bank and its twenty-five Branches, were one third less than those of the Deposit Banks for an equal period of time; and if a comparison be instituted between the amounts of services rendered by these institutions, on the broader basis which has been used by the advocates of the United States Bank, in estimating what they consider the domestic exchanges, the result will be still more favorable to the Deposit Banks.*”

Here we have the distinct assertion, that, through the State Banks, he had accomplished more in establishing a good currency and easy exchanges, than had been done by the Bank of the United States. However this fact may be, all this, I say, amounts to acknowledgment of the duty of the General Government, and as a natural consequence of the power to coin money and regulate commerce, to take a supervision over that paper currency which is to supply the place of coin.

I contend for this truth, that, down to the end of General Jackson's administration, no administration of this country had turned their back upon this power; and I now proceed to show, by extracts from Mr. Van Buren's letter to Sherrod Williams, to which,

since he has largely referred to it lately, there can be no unfitness in my referring, that he, too, admitted the obligation of supplying a uniform currency and convenient medium of exchange, which he thought could be effected by the State Deposit Banks.

"Sincerely believing, for the reasons which have just been stated, that the public funds may be as safely and conveniently transmitted from one portion of the Union to another; that domestic exchange can be as successfully and as cheaply effected, and the currency be rendered at least as sound, under the existing system, as those objects could be accomplished by means of a National Bank, I would not seek a remedy for the evils to which you allude, should they unfortunately occur, through such a medium, even if the constitutional objections were not in the way." — [Aug. 8, 1836.]

He denies not the duty of superintending the currency, but thinks the Deposit Banks of the States, under the control of Congress, can effect the purpose. This letter was written when Mr. Van Buren was a candidate for the Presidency.

Two months only after General Jackson had retired, and when his vigorous hand was no longer there to uphold it, the league of State Banks fell, and crumbled into atoms; and when Mr. Van Buren had been only two months President, he convoked a special session of Congress for the ensuing September. The country was in wide-spread confusion — paralyzed in its commerce — its currency utterly deranged. What was to be done? What would Mr. Van Buren recommend? He could not go back to the Bank of the United States, for he had committed himself against its constitutionality; nor could he, with any great prospect of success, undertake to reconstruct the league of Deposit Banks; for it had recently failed, and the country had lost confidence in it. What, then, was to be done? He could go neither backward nor forward. What did he do? I mean not to speak disrespectfully, but I say, he — *escaped!* Afraid to touch the fragments of the broken Banks — unable to touch the United States Bank — he folded up his arms, and said, — The Government has nothing to do with providing a currency for the people. That I may do him no wrong, I will read his own language. His predecessors had all said, *We will not* turn our backs upon this duty of Government to provide a uniform currency; his language is, *We will* turn our backs on this duty. He proposes nothing for the country, nothing for the relief of commerce, or the regulation of exchanges, but simply the means of getting money into the Treasury without loss.

From Mr. Van Buren's First Message.

"It is not the province of Government to aid individuals in the transfer of their funds, otherwise than through the facilities of the Post Office De-

partment. As justly might it be called on to provide for the transportation of their merchandise." * * * * *

"If, therefore, I refrain from suggesting to Congress any specific plan for regulating the exchanges or the currency — relieving mercantile embarrassments — or interfering with the ordinary operations of foreign or domestic commerce, it is from a conviction that such are not within the constitutional province of the General Government, and that their adoption would not promote the real and permanent welfare of those they might be designed to aid."

I put it to you, my friends, if this is a statesman's argument. You can transport your merchandise yourselves; you can build ships, and make your own wagons; but can you make a currency? Can you say what shall be money, and what shall not be money? and determine its value here and elsewhere? Why, it would be as reasonable to say, the people may make war for themselves, and peace for themselves, as to say that they may exercise this other not less exclusive attribute of sovereignty, of making a currency for themselves. He insists that Congress has no power to regulate currency or exchanges — none to mitigate the embarrassments of the country — none to relieve its prostrate industry — and even if the power did exist, it would be unwise, in his opinion, to exercise it!

These are the doctrines of the President's first message; and I have no opinion of it now, that I did not then entertain, and then express. I desire not to appear wise after the event — I am not a prophet, nor the son of a prophet, and yet I declare that when I heard the declarations of this message, and reflected on its consequences, I saw, or thought I saw, all of suffering, loss, and evil, that is now before us.

Let us compare this declaration with that of one now numbered with the mighty dead — of one who has left behind a reputation excelled by that of no other man, as understanding thoroughly the Constitution — of one born and cradled with it, taking part in its inception, and closing his public career by administering its highest office — I need not name *James Madison*.

In his message to Congress, in December, 1815, — when the war had closed, and the country was laboring under the disordered currency of that period, — the President thus spoke: —

"It is essential to every modification of the finances, that the benefits of a uniform national currency should be restored to the community. The absence of the precious metals will, it is believed, be a temporary evil; but until they can again be rendered the general medium of exchange, it devolves on the wisdom of Congress to provide a substitute, which shall equally engage the confidence and accommodate the wants of the citizens throughout the Union. If the operation of the State Banks cannot produce this result, the probable operation of a National Bank will merit consideration," &c.

At that session, Congress incorporated the Bank of the United States; and at the next session, the President held this language, respecting the currency and that Bank:—

From Mr. Madison's Last Message.

“For the interests of the community at large, as well as for the purposes of the Treasury, it is essential that the nation should possess a currency of equal value, credit, and use, wherever it may circulate. The Constitution has intrusted Congress, exclusively, with the power of creating and regulating a currency of that description; and the measures taken, during the last session, in execution of the power, give every promise of success. The Bank of the United States has been organized under auspices the most favorable, and cannot fail to be an important auxiliary to those measures.”

How that sounds now as an argument for the Sub-Treasury! Now, the administration has set up a doctrine vitally affecting the business and pursuits of the country, fatal to your families; and you must determine for yourselves if it shall be the doctrine of the country. But, before determining, look well at the Constitution—weigh all precedent—and if names and authority are to be appealed to, contrast those of President Van Buren with those of the dead Patriarch, whose words I have just read to you, and decide accordingly.

We have heard much from the administration against Banks and banking systems. I do not mean to discuss that topic; but I will say, that their tampering with the currency, and their course in relation to it, has, more than all other causes, increased these Banks.

But Mr. Van Buren's message contains a fatal principle,—one altogether wrong,—the principle that the Government has nothing to do with providing a currency for the country; in other words, proposing a separation between the money of the Government and the money of the people. This is the great error—which cannot be compromised with—which is susceptible of no amelioration, or modification, or remedy, but the caustic which shall totally eradicate it.

Do we not know that there must always be bank paper? Is there a man here who expects that he, or his children, or his children's children, shall see the day when only gold coin, glittering through silk purses, will be the currency of the country, to the entire exclusion of bank notes? Not one. But it is the neglect of Government to perform its duties that makes these bank notes questionable. You here, in New York, have sound bank paper, redeemable in coin; and if you were surrounded by a Chinese wall, it might be indifferent to you whether Government looked after the currency or not elsewhere. But you have daily business relations with Pennsylvania, and with the West, and East, and South, and you have a direct interest that their currency too shall be sound;

for otherwise the very superiority of yours is, to a certain degree, an injury and loss to you—since you pay in the equivalent of specie for what you buy, and you sell for such money as may circulate in the States with which you deal. But New York cannot effect the general restoration of the currency, nor any one State, or any number of States short of the whole—and hence the duty of the General Government to superintend this interest.

But what does the Sub-Treasury propose? Its basis is a separation of the concerns of the Treasury from those of the people. The law creating it provides,

That there shall be provided in the New Treasury building at Washington, rooms for the use of the Treasurer, and fire-proof vaults and safes for the keeping of the public moneys; and these vaults and safes are declared to be the Treasury of the United States.

That the vaults and safes of the Mint in Philadelphia and the Branch Mint at New Orleans, shall also be places for the deposit and safe-keeping of the public moneys; and that there shall be fire-proof vaults and safes also in the Custom Houses of New York and Boston, and in Charleston, South Carolina, and St. Louis, Missouri, and that these also shall be places of deposit.

That there shall be a *Receiver-General* at New York, Boston, Charleston, and St. Louis. That the Treasurers of these Mints, and the Receivers-General, shall keep the public money without loaning or using it, until ordered to be paid out; and into the hands of these Treasurers and Receivers-General, all collectors of public money are to pay what they receive.

That the resolutions of Congress of April, 1816, be so far altered as that hereafter, of all duties, taxes, and debts due and becoming due to the United States, after June of this year, one fourth shall be paid in *specie*; after June of next year, *one half*; after June of 1842, *three fourths*; and after June, 1843, *the whole*. So that after June, 1843, all debts due the United States, whether for duties, taxes, sales of public lands, patents, postages of letters, or otherwise, “shall be paid in gold and silver only.”

That from and after June, 1843, every officer or agent in the Government, in making disbursements or payments on account of the United States, shall make such payments in gold and silver coin only.

The Receiver-General in New York to be paid \$4,000 salary—the others, each, \$2,500.

I propose to say a few words on these provisions. In the first place, it seems very awkward to declare by law certain rooms in Washington, and certain safes and vaults therein, *the Treasury of the United States*. We have been accustomed heretofore to look upon the Treasury as a department of the Government, recognized by the Constitution, which declares that no money shall be drawn

from the Treasury, but in consequence of appropriations made by law. It may, however, be made a question whether any thing but these rooms and safes at Washington are now within this protection of the Constitution. It is senseless. It is absurd. It is as if the Legislature of New York should declare that a certain large room, in the United States Hotel, and certain desks and tables therein, should constitute the Court for the Correction of Errors of the State of New York.*

What else does this bill do? It declares there shall be certain vaults, and safes, and rooms. But it has not been for want of adequate vaults and rooms that we have lost our money, but owing to the hands to which we have trusted the keys. It is in the character of the officers, and not in the strength of bars and vaults, that we must look for security of the public treasure. What would be thought in private life, if some rich merchant, J. J. Astor, for instance, should determine no longer to trust his money with Banks and Bank directors, who, nevertheless, have a common interest with him in upholding the credit and stability of the currency, and in the safe-keeping, too, of their own money, and should build for himself certain safes and vaults, and, having placed his treasures therein, should, of some forty or fifty hungry individuals, who might apply for the office of treasurer, give the keys to him who would work the cheapest? You might not, perhaps, pronounce him insane, but you would certainly say, he acted very unlike J. J. Astor. Now, what is true of private affairs is equally true of public affairs; and what would be absurd in an individual is not less so in a government. What is doing in Boston, where I belong? There are Banks, respectable, specie-paying, trustworthy Banks, managed by prudent and discreet men — and yet the treasure of the country is withdrawn from the keeping of one of those institutions, with a capital paid in of two millions of dollars, and locked up in safes and vaults, and one of the President's political friends from another State is sent for to come and keep the key. There is, in this case, no president to watch the cashier, no cashier to watch the teller, and no directors to overlook and control all; but the whole responsibility is vested in one man. Do you believe that, if, under such circumstances, the United States, following the example of individuals, were to offer to receive private funds in deposit in such a safe, and allow interest on them, they would be intrusted with any? There are no securities under this new system of keeping the public moneys that we had not before; while many that did exist, in the personal character, high

* It may be necessary, to the explanation of this illustration, to state, that the Court of Errors was at the time holding a session at the United States Hotel at Saratoga.

trusts, and diversified duties, of the officers and directors of Banks, are removed. Moreover, the number of receiving and disbursing officers is increased; and in proportion is the danger to the public treasure increased.

The next provision is, that money once received into the Treasury is not to be loaned out; and if this law is to be the law of the land, this provision is not to be complained of, for dangerous indeed would be the temptation, and pernicious the consequences, if these treasurers were to be left at liberty to loan out to favorites and party associates the moneys drawn from the people. Yet the practice of this Government hitherto has always been opposed to this policy of locking up the money of the people when and while it is not required for the public service. Until this time the public deposits, like private deposits, were used by the Banks in which they were placed, as some compensation for the trouble of safe-keeping, and in furtherance of the general convenience. When, in 1833, General Jackson formed the league of the Deposit State Banks, they were specially directed by Mr. Taney, then Secretary of the Treasury, to use the public funds in discounts for the accommodation of the business of the country. And why should this not be so? The President now says, if the money is kept in Banks, it will be used by them in discounts, and they will derive benefit therefrom. What then? Is it a sufficient reason for depriving the community of a beneficial measure, that the Banks that carry it out will also measurably derive some benefit from it? The question is, Will the public be benefited? and if this be answered affirmatively, it is no bar that the Banks will be too. The Government is not to play the part of the dog in the manger. The doctrine is altogether pernicious, opposed to our experience, and to the habits and business of the nation.

The next provision is that requiring, after 1843, all dues to the Government to be paid in gold and silver; and however onerous or injurious this provision, it is to be conceded that the Government can, if they choose, enforce it. They have the power; and, as good citizens, we must submit. But such a practice will be inconvenient, I will say, oppressive. How are those who occupy three fourths of the surface of the United States to comply with this provision? Here, in commercial neighborhoods, and in large cities, and where the Banks pay specie, the difficulty will be less; but where is the man who is to take up lands in the Western States to get specie? How transport it? The Banks around him pay none — he gets none for his labor. And yet, oppressive as all this is, I admit that the Government have a right to pass such a law; that, while it is a law, it must be obeyed.

But what are we promised as the equivalent for all this inconvenience and oppression? Why, that the Government, in its turn,

will pay its debts in specie — and that thus what it receives with one hand, it will pay out with the other — and a metallic circulation will be established. I undertake to say that no greater fallacy than this was ever uttered ; the thing is impossible, and for this plain reason : The dues which the Government collects come from individuals ; each pays for himself. But it is far otherwise with the disbursements of Government. They do not go down to individuals, and, seeking out the workmen and the laborers, pay to each his dues. Government pays in large sums, to large contractors — and to these it may pay gold and silver. But do the gold and silver reach those whom the contractor employs ? On the contrary, the contractors deal as they see fit with those whom they employ, or of whom they purchase. The Army and the Navy are fed and clothed by contract ; the materials for expensive Custom Houses, Fortifications, for the Cumberland Road, and for other public works, are all supplied by contract. Large contractors flock to Washington, and receive their tons of gold and silver ; but do they carry it with them to Maine, Mississippi, Michigan, or wherever their residence and vocation may be ? No — not a dollar ; but, selling it for depreciated paper, the contractor swells his previous profits by this added premium, and pays off those he owes in depreciated bank notes. This is not an imaginary case. I speak of what is in proof. A contractor came to Washington last winter, and received a draft of \$180,000 on a specie-paying Bank in New York. This he sold at 10 per cent. premium, and with the avails purchased funds in the west, with which he paid the producer, the farmer, the laborer. This is the operation of specie payments. It gives to the Government hard money, to the rich contractor hard money ; but to the producer and the laborer it gives paper, and bad paper only ; and yet this system is recommended as specially favoring the poor man, rather than the rich, and credit is claimed for this administration as the poor man's friend. Let us look a little more nearly at this matter, and see whom, in truth, it does favor. Who are the rich in this country ? There is very little hereditary wealth among us ; and large capitalists are not numerous. But some there are, nevertheless, who live upon the interest of their money ; and these, certainly, do not suffer by this new doctrine ; for their revenues are rendered more valuable, while the means of living are reduced in value. There is the money-lender, too, who suffers not by the reduction of prices all around him. Who else are the rich in this country ? Why, the holders of office. He who has a fixed salary of from \$2,500 to \$5,000, finds prices falling ; but does his salary fall ? On the contrary, three fourths of that salary will now purchase more than the whole of it would purchase before ; and he, therefore, is not dissatisfied with this new state of things.

There is, too, another class of our fellow-citizens, wealthy men, who have prospered during the last year; and they have prospered when nobody else has. I mean the owners of shipping. What is the reason? Give me a reason. Well, I will give you one. The shipping of the country carries on the trade—the larger vessels being chiefly in the foreign trade. Now, why have these been successful? I will answer by an example. I live on the sea-coast of New England, and one of my nearest neighbors is the largest ship-owner, probably, in the United States. During the past year, he has made what might suffice for two or three fortunes for moderate men; and how has he made it? He sends his ships to Alabama, Louisiana, Mississippi, to take freights of cotton. This staple, whatever may be the price abroad, cannot be suffered to rot at home; and therefore it is shipped. My friend tells his captain to provision his ship at Natchez, for instance, where he buys flour and stores in the depreciated currency of that region, and pays for them by a bill on Boston, which he sells at 48 per cent. premium! Here, at once, it will be seen, he gets his provision for half price, because prices do not always rise suddenly, as money depreciates. He delivers his freight in Europe, and gets paid for it in good money. The disordered currency of the country to which he belongs does not follow and afflict him abroad. He gets his freight in good money, places it in the hands of his owner's banker, who again draws at a premium for it. The ship-owner, then, makes money, when all others are suffering, *because he can escape from the influence of the bad laws and bad currency of his own country.* Now, I will contrast the story of this neighbor with that of another of my neighbors, not rich. He is a New England mechanic, hard-working, sober, and intelligent—a tool-maker by trade, who wields his own sledge-hammer. His particular business is the making of augers for the South and South-West. He has for years employed many hands, and been the support thereby of many families around him—himself, meanwhile, moderately prosperous until these evil times came on. Annually, however, for some years, he has been going backwards. Not less industrious, not less frugal, he has yet found, that however apparently good the prices he might receive at the South and South-West for his tools, the cost of converting his Southern or Western funds into money current in New England was ruinous. He has persevered, however, always hoping for some change for the better, and contracting gradually the circle of his work and the number of his workmen, until, at length, the little earnings of the past wasted, and the condition of the currency becoming worse and worse, he is reduced to bankruptcy; and he, and the twenty families that he had supported, are beggared by no fault of their own. What was his difficulty? He *could not escape* from the evils of bad laws and bad currency at

home; and while his rich neighbor, who could, and did, is made richer by these very causes, he, the honest and industrious mechanic, is crushed to the earth; and yet, we are told, this is a system for promoting the interests of the poor!

This leads me naturally to the great subject of *American labor*, which has hardly been considered or discussed as carefully as it deserves. What is *American labor*? It is best described by saying, *it is not* European labor. Nine tenths of the whole labor of this country is performed by those who cultivate the land they or their fathers own, or who, in their workshops, employ some little capital of their own, and mix it up with their manual toil. No such thing exists in other countries. Look at the different departments of industry, whether agricultural, manufacturing, or mechanical, and you will find, almost in all, the laborers mix up some little capital with the work of their hands. The laborer of the United States is the United States: strike out the laborers of the United States, including therein all who in some way or other belong to the industrious and working classes, and you reduce the population of the United States from sixteen millions to one million. The American laborer is expected to have a comfortable home, decent, though frugal living, and to be able to clothe and educate his children, to qualify them to take part, as all are called to do, in the political affairs and government of their country. Can this be said of any European laborer? Does he take any share in the government of his country, or feel it an obligation to educate his children? In most parts of Europe, nine tenths of the laborers have no interest in the soil they cultivate, nor in the fabrics they produce; no hope, under any circumstances, of rising themselves, or of raising their children, above the condition of a day laborer at wages, and only know the government under which they live, by the sense of its burdens, which they have no voice in mitigating.

To compare such a state of labor with the labor of this country, or reason from that to ours, is preposterous. And yet the doctrine now is, not of individuals only, but of the administration, that the wages of American labor must be brought down to the level of those of Europe.

I have said this is not the doctrine of a few individuals; and on that head I think injustice has been done to a Senator from Pennsylvania, who has been made to bear a large share of the responsibility of suggesting such a policy. If I mistake not, the same idea is thrown out in the President's message at the commencement of the last session, and in the Treasury Report. Hear what Mr. Woodbury says:—

"Should the States not speedily suspend more of their undertakings which are unproductive, but, by new loans, or otherwise, find means to em-

ploy armies of laborers in consuming rather than raising crops, and should prices thus continue in many cases to be unnaturally inflated, as they have been of late years, in the face of a contracting currency, the effect of it on our finances would be still more to lessen exports, and, consequently, the prosperity and revenue of our foreign trade."

He is for turning off from the public works these "armies of laborers," who consume without producing crops, and thus bring down prices, both of crops and labor. Diminish the mouths that consume, and multiply the arms that produce, and you have the Treasury prescription for mitigating distress and raising prices! How would that operate in this great State? You have, perhaps, some fifteen thousand men employed on your public works—works of the kind that the Secretary calls "unproductive;" and, even with such a demand as they must produce for provisions, prices are very low. The Secretary's remedy is to set them to raise provisions themselves, and thus augment the supply, while they diminish the demand. In this way, the wages of labor are to be reduced, as well as the prices of agricultural productions. But this is not all. I have in my hand an extract from a speech in the House of Representatives of a zealous supporter, as it appears, of the administration, who maintains that, other things being reduced in proportion, you may reduce the wages of labor, without evil consequences. And where does he seek this example? On the shores of the Mediterranean. He fixes upon Corsica and Sardinia. But what is the Corsican laborer, that he should be the model upon which American labor is to be formed? Does he know any thing himself? Has he any education, or does he give any to his children? Has he a home, a freehold, and the comforts of life around him? No: with a crust of bread and a handful of olives, his daily wants are satisfied. And yet, from such a state of society, the laborer of New England, the laborer of the United States, is to be taught submission to low wages. The extract before me states that the wages of Corsica are,

"For the male laborer, 24 cents a day;
And the female do. 11 cents do."

both, I presume, finding their own food. And the honorable gentleman argues that, owing to the greater cheapness of other articles, this is relatively as much as the American laborer gets; and he illustrates the fact by this bill of clothing for a Corsican laborer:—

"Jacket,	lasting 24 months, 8 francs;
Cap,	do. 24 do. 2 do.
Waistcoat,	do. 36 do. 4 do.
Pantaloons,	do. 18 do. 5 do.
Shirt,	do. 12 do. 3 do.
Pair of shoes,	do. 6 do. 6 do.



Eight francs are equal to one dollar and sixty cents, and five francs to one dollar. Now, what say you, my friends? What will the farmer of New York, of Pennsylvania, and New England, say to the idea of walking on Sunday to church, at the head of his family, in his jacket *two years old*? What will the young man say, when, his work ended, he desires to visit the families of his neighbors, to the one pair of pantaloons, not quite two years old, indeed, but, as the farmers say of a colt, "coming two next grass," and which, for eighteen months, have every day done yeoman's service? Away with it all! Away with this plan for humbling and degrading the free, intelligent, well-educated, and well-paid laborer of the United States to the level of the almost brutal laborer of Europe!

There is not much danger that schemes and doctrines such as these shall find favor with the people. They understand their own interest too well for that. Gentlemen, I am a farmer, on the seashore, and have, of course, occasion to employ some degree of agricultural labor. I am sometimes also rowed out to sea, being, like other New England men, fond of occasionally catching a fish, and finding health and recreation, in warm weather, from the air of the ocean. For the few months during which I am able to enjoy this retreat from labor, public or professional, I do not often trouble my neighbors, or they me, with conversation on politics. It happened, however, about three weeks ago, that, on such an excursion as I have mentioned, with one man only with me, I mentioned this doctrine of the reduction of prices, and asked him his opinion of it.

He said he did not like it. I replied, "The wages of labor, it is true, are reduced; but then flour and beef, and perhaps clothing, all of which you buy, are reduced also. What, then, can be your objections?" "Why," said he, "it is true that flour is now low; but then it is an article that may rise suddenly, by means of a scanty crop in England, or at home; and, if it should rise from five dollars to ten, I do not know for certain that it would fetch the price of my labor up with it. But while wages are high, then I am safe; and if produce chances to fall, so much the better for me. But there is another thing. I have but one thing to sell — that is, my labor; but I must buy many things — not only flour, and meat, and clothing, but also some articles that come from other countries — a little sugar, a little coffee, a little tea, a little of the common spices, and such like. Now, I do not see how these foreign articles will be brought down by reducing wages at home; and before the price is brought down of the only thing I have to sell, I want to be sure that the prices will fall, also, not of a part, but of all the things which I must buy."

Now, gentlemen, though he will be astonished, or amused, that I should tell the story before such a vast and respectable assemblage as this, I will place this argument of *Seth Peterson*, sometimes farm-

er and sometimes fisherman on the coast of Massachusetts, stated to me while pulling an oar with each hand, and with the sleeves of his red shirt rolled up above his elbows, against the arguments, the theories, and the speeches, of the administration and all its friends, in or out of Congress, and take the verdict of the country, and of the civilized world, whether he has not the best side of the question.

Since I have adverted to this conversation, gentlemen, allow me to say that this neighbor of mine is a man fifty years of age, one of several sons of a poor man; that by his labor he has obtained some few acres, his own unencumbered freehold; has a comfortable dwelling, and plenty of the poor man's blessings. Of these, I have known six, decently and cleanly clad, each with the book, the slate, and the map, proper to its age, all going at the same time daily to enjoy the blessing of that which is the great glory of New England, the common free school. Who can contemplate this, and thousands of other cases like it, not as pictures, but as common facts, without feeling how much our free institutions, and the policy hitherto pursued, have done for the comfort and happiness of the great mass of our citizens? Where in Europe, where in any part of the world out of our own country, shall we find labor thus rewarded, and the general condition of the people so good? Nowhere; nowhere! Away, then, with the injustice and the folly of reducing the cost of productions with us to what is called the common standard of the world! Away, then, away at once and forever, with the miserable policy, which would bring the condition of a laborer in the United States to that of a laborer in Russia or Sweden, in France or Germany, in Italy or Corsica! Instead of following these examples, let us hold up our own, which all nations may well envy, and which, unhappily, in most parts of the earth, it is easier to envy than to imitate.

But it is the cry and effort of the times to stimulate those who are called poor against those who are called rich; and yet, among those who urge this cry, and seek to profit by it, there is betrayed sometimes an occasional sneer at whatever savors of humble life. Witness the reproach against a candidate now before the people for their highest honors, that a log cabin, with plenty of hard cider, is good enough for him!

It appears to some persons, that a great deal too much use is made of the symbol of the log cabin. No man of sense supposes, certainly, that the having lived in a log cabin is any further proof of qualification for the Presidency, than as it creates a presumption that any one who, from humble condition, or under unfavorable circumstances, has been able to attract a considerable degree of public attention, is possessed of reputable qualities, moral and intellectual.

But it is to be remembered, that this matter of the log cabin

originated, not with the friends of the Whig candidate, but with his enemies. Soon after his nomination at Harrisburg, a writer for one of the leading administration papers spoke of his "log cabin," and his use of "hard cider," by way of sneer and reproach. As might have been expected, (for pretenders are generally false,) this taunt at humble life proceeded from the party which claims for itself the character of the purest democracy. The whole party appeared to enjoy it, or, at least, they countenanced it by silent acquiescence; for I do not know that, to this day, any eminent individual, or any leading newspaper attached to the administration, has rebuked this scornful jeering at the supposed humble condition or circumstances in life, past or present, of a worthy man and a war-worn soldier. But it touched a tender point in the public feeling. It naturally roused indignation. What was intended as reproach, was immediately seized on as merit. "Be it so! Be it so!" was the instant burst of the public voice. "Let him be the log cabin candidate. What you say in scorn, we will shout with all our lungs. From this day forward, we have our cry of rally; and we shall see whether he, who has dwelt in one of the rude abodes of the West, may not become the best house in the country!"

All this is natural, and springs from sources of just feeling. Other things, gentlemen, have had a similar origin. We all know that the term "Whig" was bestowed in derision, two hundred years ago, on those who were thought too fond of liberty; and our national air of "Yankee Doodle" was composed by British officers, in ridicule of the American troops. Yet, ere long, the last of the British armies laid down its arms at Yorktown, while this same air was playing in the ears of officers and men. Gentlemen, it is only shallow-minded pretenders, who either make distinguished origin matter of personal merit, or obscure origin matter of personal reproach. Taunt and scoffing at the humble condition of early life, affect nobody in this country, but those who are foolish enough to indulge in them, and they are generally sufficiently punished by public rebuke. A man who is not ashamed of himself, needs not be ashamed of his early condition.

Gentlemen, it did not happen to me to be born in a log cabin; but my elder brothers and sisters were born in a log cabin, raised amid the snow-drifts of New Hampshire, at a period so early as that, when the smoke first rose from its rude chimney, and curled over the frozen hills, there was no similar evidence of a white man's habitation between it and the settlements on the rivers of Canada. Its remains still exist. I make to it an annual visit. I carry my children to it, to teach them the hardships endured by the generations which have gone before them. I love to dwell on the tender recollections, the kindred ties, the early affections, and the touching narratives and incidents, which mingle with all I know of this primitive family abode. I weep to think that none of those

who inhabited it are now among the living; and if ever I am ashamed of it, or if I ever fail in affectionate veneration for HIM who reared it, and defended it against savage violence and destruction, cherished all the domestic virtues beneath its roof, and, through the fire and blood of a seven years' revolutionary war, shrunk from no danger, no toil, no sacrifice, to serve his country, and to raise his children to a condition better than his own, may my name and the name of my posterity be blotted forever from the memory of mankind!

[Mr. WEBSTER then reviewed the expenditures of the Government; but just at the last moment we find, with regret, that the sheet containing this portion of the speech has been mislaid or lost. We supply, therefore, from memory, a very brief, and, we are aware, a very inadequate outline of the argument.]

The expenditures of this administration have been eminently wasteful and extravagant. Over and above the ordinary revenue of the country, Mr. Van Buren has spent more than *twenty millions* that reached the Treasury from other sources. I specify—

Reserved under the Deposit Act,	6,000,000
Fourth Instalment of Surplus, kept back,	9,000,000
Payment by the Bank of United States on its Bonds,	5,000,000
	<hr/>
	\$20,000,000

But even this has been found insufficient for the prodigality of the administration; and we had not been long assembled in Congress before a demand was made upon it, notwithstanding the flattering representations of the Message and the Treasury Report, for authority to issue *five millions* more of Treasury notes; and this, we were assured, if Congress would only keep within the estimates submitted by the Departments, would be ample. Congress did keep within the estimates; and yet, before we broke up, intimations came from the Treasury that they must have authority to borrow, or issue Treasury notes for four and a half millions more!

This time, even the friends of the administration demurred, and, finally, refused to grant this new aid; and what then was the alternative? Why, after having voted appropriations for the various branches of the public service, all within the estimates, and all of which, they were told, were indispensable, Congress conferred on the President, by a special section, authority to withhold these appropriations from such objects as he pleased, and out of certain classes, to select, at his discretion, those upon which money should be expended. Entire authority was thus given to the President over all these expenditures, in evasion, as it seems to me, of that provision of the Constitution forbidding all expenditure, except by virtue of appropriations—which, if it mean any thing, must mean the specification of distinct sums for distinct purposes.

In this way, then, it is proposed to keep back from indispensable works, or works declared by the administration to be indispensable, four and a half millions, which are, nevertheless, appropriated, and which, with five millions of Treasury notes already issued, will constitute a debt of from nine to *ten millions*.

So, then, when General Harrison shall succeed, in March next, to the Presidential chair, all that he will inherit from his predecessors — besides their brilliant example — will be these Treasury vaults and safes, without a dollar in them, and a debt of *ten millions of dollars*.

The whole revenue policy of this administration has been founded in error. While the Treasury is becoming poorer and poorer, articles of luxury are admitted free of duty. Look at the Custom House returns — 20,000,000 dollars worth of silks imported in one year, free of duty, and other articles of luxury in proportion, that should be made to contribute to the revenue.

We have, in my judgment, imported *excessively*; and yet the President urges it as an objection to works of public improvement, to railroads and canals, that they diminish our importations, and thereby interfere with the comforts of the people. His message says —

“Our people will not long be insensible to the extent of the burdens entailed upon them by the false system that has been operating on their sanguine, energetic, and industrious character; nor to the means necessary to extricate themselves from these embarrassments. The weight which presses upon a large portion of the people, and the States, is an enormous debt, foreign and domestic. The foreign debt of our States, corporations, and men of business, can scarcely be less than two hundred millions of dollars, requiring more than ten millions of dollars a year to pay the interest. This sum has to be paid out of the exports of the country, and must of necessity cut off imports to that extent, or plunge the country more deeply in debt from year to year. It is easy to see that the increase of this foreign debt must augment the annual demand on the exports to pay the interest, and to the same extent diminish the imports; and in proportion to the enlargement of the foreign debt, and the consequent increase of interest, must be the decrease of the import trade. In lieu of the comforts which it now brings us, we might have one gigantic banking institution, and splendid, but in many instances profitless, railroads and canals, absorbing, to a great extent, in interest upon the capital borrowed to construct them, the surplus fruits of national industry for years to come, and securing to posterity no adequate return for the comforts which the labors of their hands might otherwise have secured.”

What are these comforts that we are to get so much more of, if we will only stop our railroads and canals? Foreign goods, loss of employment at home, European wages, and lastly, direct taxation.

One of the gentlemen of the South, of that nullifying State Rights party that has absorbed the administration, or been absorbed by it, comes boldly out with the declaration that the period is arrived for a *direct tax on land*; and, holding up this idea, others

have said, *that it will bring the North to the grindstone*. We shall see, before this contest is over, who will be the parties ground, and who the grinders. It is, however, but just to add that, thus far, this is only an expression of individual opinion, and I do not charge it to be otherwise.

I had proposed to say something of the militia bill; but it is already so late that I must forego this topic. ["No, no! Go on, go on!" — from the crowd.]

[Mr. WEBSTER resumed, and briefly analyzed the bill. Owing, however, to the lateness of the hour, he did not go largely into the discussion. He did not, he said, mean to charge Mr. Van Buren with any purpose to play the part of a Cæsar or a Cromwell; but he did say that, in his judgment, the plan, as recommended by the President in his message, and of which the annual report of the Secretary of War, accompanying the message, developed the leading features, would, if carried into operation, be expensive, burdensome, in derogation of the Constitution, and dangerous to our liberties. Mr. W. referred rapidly to the President's recent letter to some gentleman in Virginia, endeavoring to exculpate himself for the recommendation in the message, by endeavoring to show a difference between the plan then so strongly commended, and that submitted in detail, some months afterwards, by the Secretary of War, to Congress. Mr. W. pronounced this attempt wholly unsatisfactory. Mr. W. then went on to say —]

I have now frankly stated my opinions as to the nature of the present excitement, and have answered the question I propounded as to the causes of the revolution in public sentiment now in progress. Will this revolution succeed? Does it move the masses, or is it an ebullition merely on the surface? And who is it that opposes the change which seems to be going forward? [Here some one in the crowd cried out, "None, hardly, but the office-holders, oppose it." Mr. Webster continued —] I hear one say that the office-holders oppose it; and that is true. If they were quiet, in my opinion, a change would take place almost by common consent. I have heard of an anecdote, perhaps hardly suited to the sobriety and dignity of this occasion, but which confirms the answer which my friend in the crowd has given to my question. It happened to a farmer's son, that his load of hay was blown over by a sudden gust, on an exposed plain. Those near him, seeing him manifest a degree of distress, which such an accident would not usually occasion, asked him the reason; he said he should not *take on* so much about it, only father was under the load. I think it very probable, gentlemen, that there are many now very active and zealous friends, who would not care much whether the wagon of the administration were blown over or not, if it were not for the fear that father, or son, or uncle, or brother, might be found under the load. Indeed, it is remarkable how frequently the fire of patriotism glows in the breasts of the holders of office. A thousand favored contractors

shake with horrid fear, lest the proposed change should put the interests of the public in great danger. Ten thousand Post Offices, moved by the same apprehension, join in the cry of alarm, while a perfect earthquake of disinterested remonstrance proceeds from the Custom Houses. Patronage and favoritism tremble and quake, through every limb and every nerve, lest the people should be found in favor of a change, which might endanger the liberties of the country, or at least break down its present eminent and distinguished prosperity, by abandoning the measures, so wise, so beneficent, so successful, and so popular, which the present administration has pursued!

Fellow-citizens, we have all sober and important duties to perform. I have not addressed you, to-day, for the purpose of joining in a premature note of triumph, or raising a shout for anticipated victories. We are in the controversy, not through it. It is our duty to spare no pains to circulate information, and to spread the truth far and wide. Let us persuade those who differ from us, if we can, to hear both sides. Let us remind them that we are all embarked together, with a common interest and a common fate. And let us, without rebuke or unkindness, beseech them to consider what the good of the whole requires, — what is best for them and for us. There are two causes which keep back thousands of honest men from joining those who wish for a change.

The first of these is the fear of reproach from former associates, and the pain which party denunciation is capable of inflicting. But, surely, the manliness of the American character is superior to this! Surely, no American citizen will feel himself chained to the wheels of any party, nor bound to follow it, against his conscience, and his sense of the interest of the country. Resolution and decision ought to dissipate such restraints; and to leave men free at once to act upon their own convictions. Unless this can be done, party has entailed upon us a miserable slavery, by compelling us to act against our consciences, on questions of the greatest importance.

The other cause is the constant cry that the party of the administration is the true democratic party, or the more popular party in the Government and in the country. The falsity of this claim has not been sufficiently exposed. It should have been met, and should be now met, not only by denial, but by proof. If they mean the new democracy — the cry against credit, against industry, against labor, against man's right to leave his own earnings to his own children — why, then, doubtless, they are right; all this sort of democracy is theirs. But if by democracy they mean a conscientious and stern adherence to the true popular principles of the Constitution and the Government, then I think they have very little claim to it. Is the augmentation of Executive power a democratic

principle? Is the separation of the currency of Government from the currency of the people a democratic principle? Is the embodying a large military force, in time of peace, a democratic principle?

Let us entreat honest men not to take names for things, nor pretences for proofs. If democracy, in any constitutional sense, belongs to our adversaries, let them show their title and produce their evidence. Let the question be examined; and let not intelligent and well-meaning citizens be kept to the support of measures which in their hearts and consciences they disapprove, because their authors put forth such loud claims to the sole possession of regard for the people.

Fellow-citizens of the County of Saratoga: In taking leave of you, I cannot but remind you how distinguished a place your county occupies in the history of the country. I cannot be ignorant, that in the midst of you are many, at this moment, who saw in this neighborhood the triumph of republican arms in the surrender of General Burgoyne. I cannot doubt that a fervent spirit of patriotism burns in their breasts, and in the breasts of their children. They helped to save their country amidst the storms of war; they will help to save it, I am fully persuaded, in the present severe civil crisis. Fellow-citizens, I verily believe it is true, that, of all that are left to us from the Revolution, nine tenths are with us, in the existing contest. If there be living a revolutionary officer, or soldier, who has joined in the attacks upon General Harrison's military character, I have not met with him. It is not, therefore, in the County of Saratoga, that a cause sustained by such means is likely to prevail.

Fellow-citizens, the great question is now before the country. If, with the experience of the past, the American people think proper to confirm power in the hands which now hold it, and thereby sanction the leading policy of the administration, it will be your duty and mine to bow, with submission, to the public will; but, for myself, I shall not believe it possible for me to be of service to the country, in any department of public life. I shall look on, with no less love of country than ever, but with fearful forebodings of what may be near at hand.

But, fellow-citizens, I do not at all expect that result. I fully believe the change is coming. If we all do our duty, we shall restore the Government to its former policy, and the country to its former prosperity. And let us here, to-day, fellow-citizens, with full resolution and patriotic purpose of heart, give and take pledges that, until this great controversy be ended, our time, our talents, our efforts, are all due, and shall all be faithfully given, to **OUR COUNTRY.**

DECLARATION

OF PRINCIPLES AND PURPOSES ADOPTED BY A GENERAL CONVENTION OF THE WHIGS OF NEW ENGLAND, AT BUNKER HILL, ON THE TENTH OF SEPTEMBER, 1840. PREPARED BY MR. WEBSTER, AND SIGNED BY HIM AS PRESIDENT OF THE CONVENTION.

WHEN men pause from their ordinary occupations, and assemble in great numbers, a proper respect for the judgment of the country, and of the age, requires that they should clearly set forth the grave causes which have brought them together, and the purposes which they seek to promote.

Feeling the force of this obligation, fifty thousand of the free electors of the New England States, honored also by the presence of like free electors from nearly every other State in the Union, having assembled on Bunker Hill, on this 10th day of September, 1840, proceed to set forth a DECLARATION of their principles, and of the occasion and objects of their meeting.

In the first place, we declare our unalterable attachment to that Public Liberty, the purchase of so much blood and treasure, in the acquisition of which the field whereon we stand obtained early and imperishable renown. Bunker Hill is not a spot on which we shall forget the principles of our Fathers, or suffer any thing to quench within our own bosoms the love of freedom which we have inherited from them.

In the next place, we declare our warm and hearty devotion to the Constitution of the country, and to that Union of the States which it has so happily cemented, and so long and so prosperously preserved. We call ourselves by no local names, we recognize no geographical divisions, while we give utterance to our sentiments on high constitutional and political subjects. We are Americans, citizens of the United States, knowing no other country, and desiring to be distinguished by no other appellation. We believe the Constitution, while administered wisely and in its proper spirit, to be capable of protecting all parts of the country, securing all interests, and perpetuating a National Brotherhood among all the States. We believe that to foment local jealousies, to attempt to prove the existence of opposite interests between one part of the country and another, and thus to disseminate feelings of distrust and alienation, while it is in contemptuous disregard of the counsels of the great

Father of his country, is but one form, in which irregular ambition, destitute of all true patriotism, and a love of power, reckless of the means of its gratification, exhibit their unsubdued and burning desire.

We believe, too, that party spirit, however natural or unavoidable it may be in free Republics, yet when it gains such an ascendancy in men's minds, as leads them to substitute party for country, to seek no ends but party ends, no approbation but party approbation, and to fear no reproach or contumely, so that there be no party dissatisfaction, not only alloys the true enjoyment of such institutions, but weakens, every day, the foundations on which they stand.

We are in favor of the liberty of speech and of the press; we are friends of free discussion; we espouse the cause of popular education; we believe in man's capacity for self-government; we desire to see the freest and widest dissemination of knowledge and of truth; and we believe, especially, in the benign influence of religious feeling, and moral instruction, on the social as well as on the individual happiness of man.

Holding these general sentiments and opinions, we have come together to declare that, under the present administration of the General Government, a course of measures has been adopted and pursued, in our judgments, disastrous to the best interests of the country, threatening the accumulation of still greater evils, utterly hostile to the true spirit of the Constitution and to the principles of civil liberty, and calling upon all men of honest purpose, disinterested patriotism, and unbiased intelligence, to put forth their utmost constitutional efforts in order to effect a change.

General Andrew Jackson was elected President of the United States, and took the oaths and his seat on the 4th of March, 1829; and we readily admit that, under his administration, certain portions of the public affairs were conducted with ability. But we have to lament that he was not proof against the insinuations and influences of evil counsellors, or perhaps against his own passions, when moved and excited. Hence, in one most important branch of the public interest, in that essential part of commercial regulation which respects the money, the currency, the circulation, and the internal exchanges, of the country, accidental occurrences, acting on his characteristic love of rule, and uneasiness under opposition, led him to depart from all that was expected from him, and to enter upon measures which plunged both him and the country in greater and greater difficulties at every step, so that, in this respect, his whole course of administration was but a series of ill-fated experiments, and of projects framed in disregard of prudence and precedent, and bursting in rapid succession; the final explosion taking place a few months after his retirement from office.

General Jackson was not elected with any desire or expectation,

on the part of any of his supporters, that he would interfere with the currency of the country. We affirm this as the truth of history. It is incapable of refutation or denial. It is as certain as that the American Revolution was not undertaken to destroy the rights of property, or overthrow the obligation of morals.

But, unhappily, he became involved in a controversy with the then existing Bank of the United States. He manifested a desire — how originating, or by whom inspired, is immaterial — to exercise a political influence over that institution, and to cause that institution to exercise, in turn, a political influence over the community. Published documents prove this, as plainly as they prove any other act of his administration. In this desire he was resisted, thwarted, and finally defeated. But what he could not govern, he supposed he could destroy; and the event showed that he did not overrate his popularity and his power. He pursued the Bank to the death, and achieved his triumph by the Veto of 1832. The accustomed means of maintaining a sound and uniform currency, for the use of the whole country, having been thus trampled down and destroyed, recourse was had to those new modes of experimental administration, to which we have already adverted, and which terminated so disastrously, both for the reputation of his administration and for the welfare of the country.

But General Jackson did not deny his constitutional obligations, nor seek to escape from their force. He never professedly abandoned all care over the general currency. His whole conduct shows that he admitted, throughout, the duty of the General Government to maintain a supervision over the currency of the country, both metallic and paper, for the general good and use of the people; and he congratulated both himself and the nation, that, by the measures adopted by him, the currency and the exchanges of the country were placed on a better footing than they ever had been under the operation of a Bank of the United States. This confidence in his own experiments, we know, proved most illusory. But the frequency with which he repeated this and similar declarations establishes, incontestably, his own sense of the duty of Government.

In all the measures of General Jackson upon the currency, the present Chief Magistrate is known to have concurred. Like him, he was opposed to the Bank of the United States; like him, he was in favor of the State Deposit Banks; and, like him, he insisted that, by the aid of such banks, the Administration had accomplished all that could be desired, on the great subjects of the currency and the exchange.

But the catastrophe of May, 1837, produced a new crisis, by overthrowing the last in the series of experiments, and creating an absolute necessity, either of returning to that policy of the Government which General Jackson had repudiated, or of renouncing

altogether the constitutional duty which it had been the object of that policy to perform. The latter branch of the alternative was adopted. Refuge was sought in escape. A duty, up to that moment admitted by all, was suddenly denied, and the fearful resolution announced, that Government would hereafter provide for its own revenues, and that for the rest, the people must take care of themselves.

Assembled here, to-day, and feeling, in common with the whole country, the evil consequences of these principles and these measures, we utter against them all, from first to last, our deep and solemn disapprobation and remonstrance. We condemn the early departure of General Jackson from that line of policy which he was expected to pursue. We deplore the temper which led him to his original quarrel with the Bank. We deplore the headstrong spirit which instigated him to pursue that institution to its destruction. We deplore the timidity of some, the acquiescence of others, and the subserviency of all of his party, which enabled him to carry its whole, unbroken phalanx to the support of measures, and the accomplishment of purposes, which we know to have been against the wishes, the remonstrances, and the consciences, of many of the most respectable and intelligent. We deplore his abandonment of those means for assuring a good currency, which had been successfully tried for forty years; his rash experiments with great interests; and the perseverance with which he persisted in them, when men of different temperament must have been satisfied of their uselessness and impotence.

But General Jackson's administration, authority, and influence, are now historical. They belong to the past, while we have to do, to-day, with the serious evils, and the still more alarming portents, of the present. We remonstrate, therefore, most earnestly and emphatically, against the policy upon this subject of the present Administration. We protest against the truth of its principles. We deny the propriety and justice of its measures. We are constrained to have too little respect for its objects, and we desire to rouse the country, so far as we can, to the evils which oppress and the dangers that surround us.

We insist that the present Administration has consulted its own party ends, and the preservation of its own power, to the manifest neglect of great objects of public interest. We think there is no liberality, no political comprehension, no just or enlarged policy, in its leading measures. We look upon its abandonment of the currency as fatal; and we regard its system of sub-Treasuries as but a poor device to avoid a high obligation, or as the first in a new series of ruthless experiments. We believe its professions in favor of a hard-money currency to be insincere; because we do not believe that any person, of common information and ordinary understanding,

can suppose that the use of paper, as a circulating medium, will be discontinued, even if such discontinuance were desirable, unless the Government shall break down the acknowledged authority of the State Governments to establish Banks. We believe the clamor against State Banks, State Bonds, and State Credits, to have been raised by the friends of the Administration to divert public attention from its own mismanagement, and to throw on others the consequence of its own conduct. We heard nothing of all this in the early part of General Jackson's administration, nor until his measures had brought the currency of the country into the utmost disorder. We know that, in times past, the present Chief Magistrate has, of all men, had most to do with the systems of State Banks, the most faith in their usefulness, and no very severely chastened desire to profit by their influence. We believe that the purpose of exercising a money influence over the community has never departed from the Administration. What it could not accomplish by an attempt to bend the Bank of the United States to its purposes, we believe it has sought, and now seeks, to effect by its project of the sub-Treasury. We believe that, in order to maintain the principles upon which the system of the sub-Treasury is founded, the friends of the Administration have been led to espouse opinions destructive of the internal commerce of the country, paralyzing to its whole industry, tending to sink its labor, both in price and in character, to the degraded standard of the uninformed, the ignorant, the suffering labor of the worst parts of Europe. Led by the same necessity, or pushing the same principles still farther, and with a kind of revolutionary rapidity, we have seen the rights of property not only assailed, but denied; the boldest agrarian notions put forth; the power of transmission from father to son openly denounced; the right of one to participate in the earnings of another, to the rejection of the natural claims of his own children, asserted as a fundamental principle of the new Democracy;—and all this by those who are in the pay of Government, receiving large salaries, and whose offices would be nearly sinecures, but for the labor performed in the attempt to give currency to these principles and these opinions. We believe that the general tone of the measures of the Administration, the manner in which it confers favors, its apparent preference for partisans of extreme opinions, and the readiness with which it bestows its confidence on the boldest and most violent, are producing serious injuries upon the political morals and general sentiments of the country. We believe that to this cause is fairly to be attributed the most lamentable change which has taken place in the temper, the sobriety, and the wisdom, with which the high public counsels have been hitherto conducted. We look with alarm to the existing state of things, in this respect; and we would most earnestly, and with all our hearts, as well for the honor of the coun-

try, as for its interests, beseech all good men to unite with us in an attempt to bring back the deliberative age of the Government—to restore to the collected bodies of the People's Representatives that self-respect, decorum, and dignity, without which the business of legislation can make no regular progress, and is always in danger either of accomplishing nothing, or of reaching its ends by unjustifiable and violent means.

We believe the conduct of the Administration respecting the public revenue to be highly reprehensible. It has expended twenty millions, previously accumulated, besides all the accruing income, since it came into power; and there seems at this moment to be no doubt that it will leave to its successors a public debt of from five to ten millions of dollars. It has shrunk from its proper responsibilities. With the immediate prospect of an empty treasury, it has yet not had the manliness to recommend to Congress any adequate provision. It has constantly spoken of the excess of receipts over expenditures, until this excess has finally manifested itself in an absolute necessity for loans, and in a power conferred on the President, altogether new, and in our judgment hostile to the whole spirit of the Constitution, to meet the event of want of resources by withholding, out of certain classes of appropriations made by Congress, such as he chooses to think may be best spared. It lives by shifts and contrivances, by shallow artifices and delusive names, by what it calls "facilities," and the "exchange of Treasury notes for specie;" while, in truth, it has been fast contracting a public debt, in the midst of all its boasting, without daring to lay the plain and naked truth of the case before the people.

We protest against the conduct of the House of Representatives in the case of the New Jersey election. This is not a local, but a general question. In the Union of the States, on whatever link the blow of injustice or usurpation falls, it is felt, and ought to be felt, through the whole chain. The cause of New Jersey is the cause of every State, and every State is therefore bound to vindicate it.

That the regular commission, or certificate of return, signed by the chief magistrate of the State, according to the provisions of law, entitles those who produce it to be sworn in as members of Congress, to vote in the organization of the House, and to hold their seats until their right be disturbed by regular petition and proof, is a proposition of constitutional law, of such universal extent and universal acknowledgment, that it cannot be strengthened by argument or by analogy. There is nothing clearer, and nothing better settled. No legislative body could ever be organized without the adoption of this principle. Yet, in the case of the New Jersey members, it was entirely disregarded. And it is of awful portent that on such a question,—a question in its nature strictly judicial,—the domination of party should lead men thus flagrantly to violate first principles.

It is the first step that costs. After this open disregard of the elementary rules of law and justice, it should create no surprise that, pending the labors of a Committee especially appointed to ascertain who were duly elected, a set of men calling themselves Representatives of the people of New Jersey, who had no certificates from the chief magistrate of the State, or according to the laws of the State, were voted into their seats, under silence imposed by the previous question, and afterwards gave their votes for the passage of the sub-Treasury law. We call most solemnly upon all who, with us, believe that these proceedings alike invade the rights of the States, and dishonor the cause of popular government and free institutions, to supply an efficient and decisive remedy, by the unsparing application of the elective franchise.

We protest against the plan of the Administration respecting the training and disciplining of the militia. The President now admits it to be unconstitutional; and it is plainly so, on the face of it, for the training of the militia is by the Constitution expressly reserved to the States. If it were not unconstitutional, it would yet be unnecessary, burdensome, entailing enormous expense, and placing dangerous powers in Executive hands. It belongs to the prolific family of Executive projects, and it is a consolation to find that at least one of its projects has been so scorched by public rebuke and reprobation, that no man raises his hand or opens his mouth in its favor.

It was during the progress of the late Administration, and under the well-known auspices of the present Chief Magistrate, that the declaration was made in the Senate, that, in regard to public office, the spoils of victory belonged to the conquerors; thus boldly proclaiming, as the creed of the party, that political contests are rightfully struggles for office and emolument. We protest against doctrines which thus regard offices as created for the sake of incumbents, and stimulate the basest passions to the pursuit of high public trusts.

We protest against the repeated instances of disregarding judicial decisions, by officers of Government, and others enjoying its countenance; thus setting up Executive interpretation over the solemn adjudications of courts and juries, and showing marked disrespect for the usual and constitutional interpretation and execution of the laws.

This misgovernment and maladministration would have been the more tolerable, if it had not been committed, in most instances, in direct contradiction to the warmest professions and the most solemn assurances. Promises of a better currency, for example, have ended in the destruction of all national and uniform currency; assurances of the strictest economy have been but preludes to the most wasteful excess; even the Florida war has been conducted under loud

pretences of severe frugality ; and the most open, unblushing, and notorious interference with State elections has been systematically practised by the paid agents of an Administration, which, in the full freshness of its oath of office, declared that one of its leading objects should be, *to accomplish that task of reform, which particularly required the correction of those abuses, which brought the patronage of the federal government into conflict with the freedom of elections.*

In the teeth of this solemn assurance, it has been proved that United States officers have been assessed, in sums bearing proportion to the whole amount they receive from the treasury, for the purpose of supporting their partisans even in State and municipal elections.

Whatever, in short, has been most professed, has been least practised ; and it seems to have been taken for granted that the American people would be satisfied with pretence, and a full-toned assurance of patriotic purpose. The history of the last twelve years has been but the history of broken promises and disappointed hopes. At every successive period of this history, an enchanting, rose-colored futurity has been spread out before the people, especially in regard to the great concerns of revenue, finance, and currency. But these colors have faded, as the object has been approached. Prospects of abundant revenue have resulted in the necessity of borrowing ; the brilliant hopes of a better currency end in general derangement, stagnation, and distress ; and while the whole country is roused to an unprecedented excitement by the pressure of the times, every state paper from the Cabinet at Washington comes forth fraught with congratulations on that happy state of things which the judicious policy of the Administration is alleged to have brought about ! Judged by the tone of these papers, every present movement of the people is quite unreasonable ; and all attempts at change, only so many ungrateful returns for the wise and successful administration of public affairs !

There is yet another subject of complaint to which we feel bound to advert, by our veneration for the illustrious dead, by our respect for truth, by our love for the honor of our country, and by our own wounded pride as American citizens. We feel that the country has been dishonored, and we desire to free ourselves from all imputation of acquiescence in the parricidal act. The late President, in a communication to Congress, more than intimates that some of the earliest and most important measures of Washington's administration were the offspring of personal motives and private interests. His successor has repeated and extended this accusation, and given to it, we are compelled to say, a greater degree of offensiveness and grossness. No man, with an American heart in his bosom, can endure this without feeling the deepest humiliation, as well as the most burning

scorn. The fame of Washington and his immediate associates is of the richest treasures of the country. His is that name which an American may utter with pride in every part of the world, and which, wherever uttered, is shouted to the skies by the voices of all true lovers of human liberty. Imputations which assail his measures so rudely, while they are abominable violations of the truth of history, are an insult to the country, and an offence against the moral sentiments of civilized mankind. Miserable, miserable indeed, must be that cause which cannot support its party predominance, its ruinous schemes and senseless experiments, without thus attempting to poison the fountains of truth, and to prove the Government of our country disgracefully corrupt, even in its very cradle. Our hearts would sink within us, if we believed that such efforts could succeed; but they must be impotent. Neither the recent nor the present President was born to cast a shade on the character of Washington or his associates. The destiny of both has been, rather, to illustrate, by contrast, that wisdom and those virtues which they have not imitated, and to hurl blows, which the affectionate veneration of American citizens, and the general justice of the civilized world, will render harmless to others, and powerful only in their recoil upon themselves. If this language be strong, so also is that feeling of indignation which has suggested it; and on an occasion like this, we could not leave this consecrated spot, without the consciousness of having omitted an indispensable duty, had we not thus given utterance to the fulness of our hearts, and marked with our severest rebuke, and most thorough reprobation and scorn, a labored effort to fix a deep and enduring stain on the early history of the Government.

Finally, on this spot, the fame of which began with our liberty, and can only end with it, in the presence of these multitudes, of the whole country, and of the world, we declare our conscientious convictions, that the present Administration has proved itself incapable of conducting the public affairs of the nation in such a manner as shall preserve the Constitution, maintain the public liberty, and secure general prosperity. We declare, with the utmost sincerity, that we believe its main purpose to have been, to continue its own power, influence, and popularity; that to this end it has abandoned indispensable but highly responsible constitutional duties; that it has trifled with the great concerns of finance and currency; that it has used the most reprehensible means for influencing public opinion; that it has countenanced the application of public money to party purposes; that it endeavors to consolidate and strengthen party by every form of public patronage; that it laboriously seeks to conceal the truth from the people on subjects of great interest; that it has shown itself to be selfish in its ends, and corrupt in its means; and that, if it should be able to maintain itself in power through another term, there is the most imminent danger that it will plunge the country in

still further difficulty, bring on still greater disorder and distress, and undermine at once the foundations of the public prosperity and the institutions of the country.

Men thus false to their own professions, false to the principles of the Constitution, false to the interests of the people, and false to the highest honor of their country, are unfit to be the Rulers of this Republic.

The People of the United States have a right to good government. They have a right to an honest and faithful exercise of all the powers of the Constitution, as understood and practised in the best days of the Republic for the general good. They have an inalienable right to all the blessings of that *Liberty* which their Fathers achieved, and all the benefits of that *Union* which their Fathers established.

And standing here, this day, with the memory of those Fathers fresh on our hearts, and with the fields of their glory and the monuments of their fame full in our view, — with Bunker Hill beneath us, and Concord, and Lexington, and Dorchester Heights, and Faneuil Hall, all around us, — we here, as a part of the people, pledge ourselves to each other and to our Country, to spare no lawful and honorable efforts to vindicate and maintain these rights, and to remove from the high places of the nation, men who have thus contemned and violated them.

And we earnestly and solemnly invoke all good men and true patriots throughout the Union, foregoing all consideration of party, and forgetting all distinction of State or section, to rally once more, as our Fathers did in '75, against the common oppressors of our country, and to unite with us in restoring our glorious Constitution to its true interpretation, its practical administration, and its just supremacy.

In such a cause, principles are every thing; individuals nothing. Yet we cannot forget that we have worthy, honest, capable candidates for the offices from which we hope to remove the present incumbents.

Those who desire a change, throughout the whole country, have agreed, with extraordinary unanimity, to support General William Henry Harrison for the office of President. We believe him to be an honest and faithful citizen, who has served his country successfully, in divers civil trusts; and we believe him a veteran soldier, whose honor and bravery cannot be questioned. We give him our unhesitating confidence; and in that confidence we shall support him, and the distinguished citizen of Virginia, who has been nominated for the Vice-Presidency, with all our efforts and all our hearts, through the present contest; convinced that by their election the true spirit of the Constitution will be restored, the prosperity of the people revived, the stability of our free institutions reassured, and the blessings of Union and Liberty secured to ourselves and our posterity.

SPEECH

AT THE MERCHANTS' MEETING IN WALL STREET, NEW YORK,
SEPTEMBER 23, 1840.

I AM duly sensible, fellow-citizens, both of the honor, and of the responsibility, of the present occasion: an honor it certainly is, to be requested to address a body of Merchants, such as I behold before me, as intelligent, as enterprising, and respectable, as any in the world. A responsible undertaking it is, to address such an assembly, and on a subject which many of you understand scientifically, and in its elements at least as well as I do, and with which most of you have more or less of practical acquaintance. The currency of a country is a subject always important, and in some measure complex; but it has become the great leading question of our time. I have not shrunk from the expression of my opinions, since I have been in public life, nor shall I now, especially since on this question another great political question seems likely to turn, viz., the question whether one Administration is about to go out of power, and another Administration to come into power. Under this state of circumstances, it becomes me to premise what I have now to say, by remarking, in the first place, that I propose to speak for nobody but myself. My general opinions on the subject of the currency have been well known; and as it has now become highly probable that those who have opposed all that has recently been done by the Government on that subject, will be called on to propose some remedies of their own for the existing state of things, it is the more incumbent on me to notify to all who hear me, that what I now say, I say for myself alone; for, in regard to the sentiments of the distinguished individual whom it is your purpose to support as a candidate for the Presidency, I have no more authority to speak than any of yourselves, nor any means of knowing his opinions more than is possessed by you, and by all the country.

I will, in the first place, state a few general propositions, which I believe to be founded on true principles of good, practical political economy, as understood in their application to the condition of a country like ours.

And first; I hold the opinion that a mixed currency, composed partly of gold and silver, and partly of good paper, redeemable, and steadily redeemed in specie, on demand, is the most useful and con-

venient for such a country as that we inhabit, and is sure to continue to be used, to a greater or less extent, in these United States ; the idea of an exclusive metallic currency being either the mere fancy of theorists, or, what is probably more true, being employed as a means of popular delusion.

I believe, in the next place, that the management of a mixed currency, such as I have mentioned, has its difficulties, and requires considerable skill and care ; and this position is as true, in respect to England, the greatest commercial country of Europe, as it is of the United States. I believe, further, that there is danger of expansion and of contraction, both sudden in their recurrence, in the use of such a currency ; yet I believe that, where a currency altogether metallic exists, as it does in Cuba, and in other countries where metallic coin is most in use, as in France, there are fluctuations in prices, there are disasters and commercial failures, occurring perhaps nearly as often, and perhaps as bad in their character, as in countries where a well-regulated paper currency exists.

In the next place, I hold that the regulation of the currency, whether metallic or paper — that a just and safe supervision over that which virtually performs the office of money, and constitutes the medium of exchange, whatever it may be — necessarily pertains to Government — that it is one of the necessary and indispensable prerogatives of Government.

Every bank, as banks are now constituted in this country, performs two distinct offices or functions : first, it discounts bills and notes. This is a mere matter of the lending of money, and may be performed by corporations, or by individuals, by banks without circulation, acting as banks of discount merely, (although, in this country, our banks are all banks of circulation, issuing paper with an express view to circulation.) When such a bank discounts notes, it pays the amount of discount in its own bills, and thereby adds so much to the actual amount of circulation, every such operation being, by so much, an increase of the circulating medium of the country. Hence it is true that, in the absence of all Government control and supervision, the wisdom and discretion regulating the amount of money afloat at any time in the community, is but the aggregate of the wisdom and discretion of all the banks collectively considered ; each individual bank acting from the promptings of its own interest, without concert with others, and not from any sense of public duty. In my judgment, such a regulator, or such a mode of regulating the currency, and of deciding what shall be the amount of money at any time existing in the community, is unsafe and untrustworthy, and is one to which we never can look to guard us against these excessive expansions and contractions, which have been the source of such injurious consequences. Hence arises my view of the duty of Government to take the care and control of the

issues of these local institutions, and thereby to guard the community against the evils of an excessive circulation. I am of opinion, that the Government may establish such a control and supervision as shall accomplish these purposes in two ways ; and first, by restraining the issues of the local banks. You all know, and from experience, perfectly well, that a general institution for the circulation of a currency, which shall be as good in one part of the country as in another, if it shall possess a competent capital, and shall be empowered to act as the fiscal agent of the Government, is capable of controlling excessive issues, and keeping the bank paper in circulation in a community within reasonable limits. Such an institution acts beneficially, too, by supplying a currency which is of general credit, and uniform in value throughout the country.

This brings us to the point. What we need, and what we must have, is some currency which shall be equally acceptable in the Gulf of Mexico, in the Valley of the Mississippi, on the Canada frontier, on the Atlantic Ocean, and in every town, village, and hamlet, of our extended land. The question is, *how to get this*. Now, it seems to me that that question is to be answered by a plain reference to the condition of the country, to the form of its Government, and to the objects for which the General Government was constituted. Why is it that no State bank paper, however secure, under institutions however respectable, in cities however wealthy, and with a capital however ample, has ever succeeded, but has uniformly failed to give a national character to the currency ? The cause of this is obvious. We live under a Government which makes us, in many important respects, one people, and which does this, and was intended to do it, especially, in whatever relates to the commerce of the country. Yet the nation exists in twenty-six distinct and sovereign States, extending over a space as wide almost as the greatest empires of Europe. In this state of things, every man knows, and is bound to know, two governments ; first, the government of his own State. If that State has established banks, he knows, and is bound to know, on what principles these banks have been established, whether they are safe, as objects of credit, and whether the laws of their administration are wise. Generally speaking, these State institutions — I refer now more particularly to those in the central, and in the northern and eastern sections of the Union, because with these I am best acquainted — enjoy the confidence of the people of the several States where they exist. Their issues are in general well received, not only in the States where the banks are established, but frequently also in the neighboring States. Every citizen is also bound, in like manner, to know the laws of the General Government, the security of the institutions it has founded, and their general character ; and since this is a national subject, over which the General Government acts as such,

he regards its acts and provisions as of a national character. Every man looks to institutions founded by Congress as emanating from the National Government, a Government which he knows, and which, to a certain extent, he himself influences, by the exercise of the elective franchise, and in which it is his duty, as a good citizen, to correct, so far as in his power, whatever may be amiss. He has confidence, therefore, in the National Government, and in the institutions it sanctions, as in something of his own; but the case is very different when he is called to take the paper of banks chartered by a distant State, over which he has no control, respecting which he has little personal knowledge, and of whose institutions he knows not whether they are well or ill founded, or well or ill administered.

In exemplification of this, if you take a note of one of the best banks in the city of New York, rich as this city is, and place upon it forty endorsements of the most substantial mercantile houses, and then carry that note to the frontier, and read it to the people there, such is the nature of man, and such is his habit of looking to the nation for that medium which is to circulate through the nation, that you cannot get that New York note, with all its endorsements, to circulate there as national money. Can I give a stronger proof of the truth of this assertion than is found in a fact which you all know? Your city banks pay specie; the banks of Philadelphia and the Bank of the United States do not pay specie, and their paper is consequently at a discount here of three, and I believe of five per cent. But how is it on the frontier? I undertake to say that you may go to Arkansas, or Missouri, with a note of the specie-paying banks of New York, and with another of the non-specie-paying Bank of the United States, and the latter shall be preferred. And why? Because it is in the name of its national predecessor. There is an *odor of nationality* which hangs around it, and clings to it, and is long in being separated from it.

In the next place, my opinion is, that a currency emanating partly from a national authority as broad in its origin as the whole country, and partly from local banks organized as our banks now are, and issuing paper for local circulation, is a better currency for the whole people than ever before existed in the world. Each of these classes of institutions, and each of these kinds of currency, has its own proper use and value. I affirm that the banking institutions of New York, and of New England, are organized on better principles than the Joint Stock Companies of Great Britain; and I hold that we are competent, with a tolerable intellect, and with an honest purpose, to establish a national institution, which shall act with less fluctuation than is experienced in England under the Bank of England.

Now, Gentlemen, I do not at all mean to say that there is only one mode, or two modes, of accomplishing this great national object.

I do not say that a National Bank is the only means to effect it; but in my judgment, it is indisputably true, that the currency should, in some degree, or in some portion of it, be *nationalized* in its character. This is indispensable to the great ends of circulation and of business in these United States.

But I shall be asked, (and it is a pertinent question,) if there is to be a national institution, or if we are in any form to have national issues of bank paper, what security is there, or is there any security, that these national institutions shall not run to an excess in their issues of paper? Who is to guard the guardian? Who is to watch the sentinel? The last twenty years have been fruitful in experience on this subject, both in the United States and in England. In that time, the world has learnt much. I may say that we have learnt much; for our own experience has been our instructor; and I think that there are modes by which banking institutions may be so far restricted as to give us reasonable security against excessive issues.

From whatever source these institutions may emanate, the first security is to be found in entire publicity as to the amount of paper afloat. There is more in this than is sometimes supposed. It should be known to the whole community, from day to day, what is the actual amount of paper in circulation. When prices rise or fall, a merchant has a right to know whether the change of price springs from change in demand, or merely from change in the amount of money in circulation; and, therefore, the first duty of a banking institution is, to make it universally known, by a daily or a weekly publication, what amount of paper it has out. See what benefits would arise from such an arrangement, and that in a thousand ways. If the bank should thus make its issues public, those who control its affairs would be bound to respect public opinion, and the bank, while it controlled what is under it, would itself be controlled by something above it; and thus public opinion would be brought to regulate the regulator, and to watch the sentinel.

Then, again, if the Government should act in this matter, what it does should rather be done in reference to the function of issue, in such an institution, than with a view to make it a money-getting concern; and that no temptation should lead the bank to excess, there ought to be a limit to the extent of its dividends; all receipts for discount, beyond that point, not going into the private crib, but into the public treasury. Then there is another error, which has been common with the Bank of England. If you look at the monthly accounts which it has published of its affairs, it will at once appear that its directors seem to have judged of the condition of the institution by the amount of its circulation, compared with its assets, including securities, as well as bullion. They look chiefly to the amount payable and the amount receivable. As a mere lender of money, this is all very well; but if the bank is to act in regulating

the circulation, it is an incorrect mode of stating the account ; but admitting the object to be to keep its paper redeemable, and to exercise a general regulation, the true point of examination would be to see what proportion exists between the outstanding paper and the inlying bullion. The bank may be very rich, but she may expect her resources from the payment of the securities she holds. This may be all very well, as a means to show that she is solvent ; but it is not the inquiry that belongs to her, as the source and preserver of a sound circulating medium.

I know very well that there are objections to the fixing of a positive limit for circulation. But until such limit can safely be dispensed with, it may be best to make it positive. When an institution has acquired general confidence, and there is no danger of a sudden and extensive panic in relation to it, it is in the power of such an institution, in case local panics should occur, to relieve the community, by that vibration in the amount of outstanding circulation, which discreet men may be trusted to regulate. Still I am of opinion that there ought to be a fixed limit, from which the bank should never depart.

Now, I have not said, nor do I mean to say, that one or the other mode of accomplishing this great and desirable object is indispensable ; but I affirm that, in his communication to Congress vetoing the bill to renew the charter of the United States Bank, President Jackson did say that, if he were applied to, he could furnish a plan for a United States Bank, which would be adequate to all the purposes of such an institution, and should yet be constitutional. Therefore, the thing is practicable, provided we, of this generation, can accomplish that which President Jackson said he could accomplish.

Now, Gentlemen, I have only stated what I receive as general principles, which the experience of the world has established on the subject of currency and a paper currency. But all we can say is, that it seems the existing Administration will do nothing of all this which I have stated as necessary to be done. They have done nothing to nationalize the currency in any degree ; and so long as the Government holds to that determination, there never will be in this country a currency of uniform value. That brings me to this inquiry : Is the Administration settled on the ground it has repeatedly avowed, and has for three years adhered to in practice, never to give us this uniform currency ? That is the question. The Administration will not go back to the policy sanctioned by forty years of prosperity. It will not trust the State banks. It will do nothing ; and it will do nothing on principle ; for Mr. Van Buren holds that the Constitution gives Congress no power to do any thing in the matter. Now, I said at the time this assertion was uttered, and I still say, that I am hardly able to express the astonishment I feel

at what would seem the presumptuousness of such a position ; because, from the very cradle of the Government, from the very commencement of its existence, those men who made the Constitution, who recommended it to the people, who procured its adoption, and who then undertook its administration, all approved that policy which is thus pronounced unconstitutional. It was followed for forty years by every Congress, and by every President, and its constitutionality was affirmed and sanctioned by the highest judicial tribunals. And yet here a gentleman stands up, at half a century's distance, and disregarding all this legislative, executive, and judicial authority, says, "I am wiser than all of them, and I aver there is no such power in the Constitution."

The President says, "The people have decided this:" but where did they so decide, and when? Why, he says, that General Jackson declared the bank to be unconstitutional, and then the people reëlected him; but I have told you what General Jackson did declare. He said that a National Bank might be established, which would not be unconstitutional; although he held the particular bank then in existence to be against the Constitution. Now, if the people reëlected him after this declaration, why is it not just as fair to infer that they did so because he uttered this opinion — because he said that there might be a National Bank, and the Constitution still be preserved inviolate? No, Gentlemen; the truth is, that General Jackson was reëlected, not *because* he vetoed the Bank of the United States, but *notwithstanding* he vetoed it. It was the general popularity of General Jackson, and that paramount ascendancy by which he ruled the party that placed him in power, and made it bend and bow to his own pleasure, that carried him again into office. To say that the constitutional power of creating a National Bank, and regulating the national currency, was repudiated by the people, is a glaring instance of false reasoning and false philosophy. Nay, the President goes farther, and says, he was himself against the bank, and the people elected *him* too for that reason. I do not say what actuated the people in his election; but this I will say, that if any man ever came into office by virtue, and under power, of will and testament, it is that same gentleman. I insist that no evidence can be produced that the American people have ever repudiated the doctrines of Washington, and condemned and rejected the decisions of their own highest judicial tribunals.

Now, we must decide on these questions as men having a deep personal interest in them. Do you go to authority? Do you appeal to Madison? You may quote Mr. Madison's opinion from morning till noon, and from noon to night, on the longest day in summer, and you cannot get from the friends of the Administration one particle of answer. I have again and again read, in my place in the Senate,

Mr. Madison's doctrine, that it is the duty of Government to establish a national currency. I have shown that Mr. Madison urges this with the utmost earnestness and solemnity. They say nothing against it, save that Mr. Van Buren, having expressed a different opinion, *got in* at the last election.

Now, when the National Bank was destroyed, or rather when its charter expired, and was not renewed, in consequence of the Executive Veto, what followed? I say that the Government then put the entire business of this country, its commercial, its manufacturing, its shipping interest, its fisheries, — in a word, all that the people possessed, — on the tenterhooks of experiment; it put to the stretch every interest of the nation; it held them up, and tried curious devices upon them, just as if the institutions of our country were things not to be cherished and fostered with the most solicitous anxiety and care, but matters for political philosophers to try experiments upon. I need not remind you that General Jackson said he could give the country a better currency; that he took the national treasure from where it had been deposited by Congress, to place it in the State banks; and that Congress, by subsequent legislation, legalized the transfer, under the assurance that it would work well for the country. Yet I may be permitted to remind you that there were some of us, who, from the first, declared that these State banks never could perform the duties of a national institution; that the functions of such an institution were beyond their scope, without the range of their powers; that they were, after all, but small arms, and not artillery, and could not reach an object so distant. The State bank system exploded; but the Administration did not expect it to explode. At that day, they no more looked to the sub-Treasury scheme, than they looked for an eclipse, (and they did not then expect an eclipse half as much as they do just now.) When the United States Bank was overthrown, they turned, as the next expedient, to the State institutions; and they had full confidence in them, for confidence is a quality in which experimenters are seldom found wanting; but the expedient failed — the banks exploded; and what then?

Why, in the speech delivered in this place, by one of the ablest advocates of the measures of the Administration, Mr. Wright said, What could you expect? What could Mr. Van Buren do? He could not adopt a National Bank, because he had declared himself opposed to it. He could not rely on the State banks, for they had crumbled to pieces. What, then, could he do, but recommend the sub-Treasury? What does this show, but that the Government, as I have said, had departed from the principles of the approved policy of forty years of national prosperity, and had put itself in such a situation that it could not aid the country in any way? Mr. Van Buren would not retract his opinion against the bank, (although he could

retract his opinion against the State Bank Deposit System, fast enough,) but he would not retract the position he had taken against the National Bank. The State banks had failed him; and he was driven, as his only refuge, to the suggestion of withdrawing all care over the national currency from the National Government, and confining the solicitude of Government to itself alone. But how far did he carry this doctrine? Look at the draft of the first sub-Treasury bill. Does it contain a specie clause? No such thing! It is a mere regulator of the revenue on the principles of the resolution of 1816. But what happened next? This bill was like to fail in the Senate for want of votes. There was a certain division in that body, at the head of which stood Mr. Calhoun, whose aid was indispensable to carry the measure, but who would not vote for it, unless the *hard money clause* should be inserted. It was inserted accordingly; and then the friends of the Administration, for the first time, shouted in all quarters, "Hard Money!" "Hard Money!" "Hard Money!"

By this hard necessity, the Administration was driven to a measure which it had no more expected than you expect to see your houses on fire to-night. But such are the expedients, the miserable expedients, of a baffled and despairing Administration, on which they have thrown themselves as a last resort, always hoping, and always deceived, and plunging deeper and deeper at every new effort.

I have said, — and it may be proper enough, and involve no great self-complacency to say it, — that there were some of us who never ceased to warn the Government and the nation, that the deposit system must explode, as it has exploded. But what was our reward? What was the boon conferred upon us, for thus apprizing the Administration of its danger? We were denounced as enemies to State banks, as opposed to State institutions, as anti-State-rights men, whom nothing would satisfy, but the spectacle of a great national institution, riding over and treading down the institutions of the States.

But what happened? The whole State bank experiment, as I have said, utterly failed; and what did gentlemen of the Administration do then? They instantly turned about, and with the utmost outrage of remark, reviled the banks which their experiment had crushed. They were vile, corrupt, faithless, treacherous institutions, leagued from the very beginning with the opposition, and not much better than British Whigs! And when we, who had opposed the placing of the national treasure in these banks, declared that they had failed only because they were applied to a purpose for which they never were calculated, and had perished in consequence of a rash and unwise experiment, we were instantly told, "You are Bank Aristocrats; you are leagued with a thousand

corrupt banks, and are seeking, by the power of British Gold, to destroy the purest Administration that ever breathed the air of heaven!" Thus, when we said that State banks, though good for some purposes, were not good as a substitute for a National Bank, then we were denounced as the enemies of banks; but when we wished to shield these same banks from misapplied censure, and protect them from being totally destroyed by acts of bankruptcy, then we were reviled as "Bank Aristocrats."

Now I ask you, gentlemen, as Merchants, what confidence can you place in such an Administration? Do you see any thing that they are disposed to do to restore the times you once enjoyed? (Loud cries of "No," "No.") I perceive that your opinion corresponds with my own, and that you cannot lend your support to men who turn their backs on the experience, the interests, and the institutions, of their country, and who openly declare that they will not exercise the powers which have been conferred on them for the public good.

Now, Gentlemen, I will observe to you further, that it appears to me, that this Administration has treated the States, in reference to their own affairs, just as it has treated the State banks. It has first involved them in the evils of extravagance, (if any extravagance exists,) and has then abused them for the very thing to which its own course has strongly invited them. Commencing with the Messages of Mr. Van Buren himself, and then looking at the reports of his Secretaries, and the resolutions and speeches of Mr. Benton and Mr. Grundy, in the Senate, and at the outcry of the whole Administration press, there appears to be a systematic attempt to depress the character and credit of the States. It is every where said, that "the States have been rash and extravagant;" "the States will yet have to repent of their railroads and canals, and projects of internal improvements." This is the burden of the President's Message, of the reports of his Secretaries, and the resolutions of his friends. Now, I solemnly ask, is not the tendency of such a course of measures virtually to affect the credit of the States that have outstanding bonds and obligations in the market?

Let us look into this matter a little. Let us see under what circumstances it was that the States were induced to contract these large debts which now embarrass them. And here let me call your attention to a few facts, dates, and figures. And first; I now here to-day, in your presence, charge upon the Administration of the General Government those great expansions of paper money, and sudden contractions, both of which have so deranged our affairs. I propose to prove the charge; and with that view now proceed to lay before you facts, and dates, and transactions, which must carry conviction to every honest and candid mind.

Let us go back to the year 1832, when it was perfectly settled

by the Veto of President Jackson, that the Bank of the United States would not be rechartered. Suppose we take a series of years by tens, and trace the history of the creation of State banks in this country. From 1820 to 1830, a period of ten years, there were created in the United States twenty-two new banks; and their creation added to the banking capital of the country but eight millions of dollars. During this period, the Bank of the United States was in full operation, and nobody entertained a doubt but that it would be continued. How was it in the next ten years? From 1830 to 1840, the increase of banks, instead of twenty-two, as in the preceding ten years, was three hundred and forty-eight; and the increase of banking capital, instead of eight millions, amounted to two hundred and sixty-eight millions. Such has been the progress of bank expansion, during the charming, the successful years of the experiment. But further; not only was there this great augmentation in the number, and in the capital, of the banks, but the extraordinary proceeding followed of the removal of the deposits in 1833. In consequence of this, it was by the Government declared to be the duty of all its deposit banks to lend the public money freely to the commercial community. The Secretary of the Treasury, in his circular, issued, I think, in September, 1833, told these institutions expressly, that it was their duty to discount freely, and laid it down as a maxim, that the money of the Government, between the periods of its collection and disbursement, ought to be at the use of the community. I remember, indeed, to have heard it said by the cashier of one of the banks in this street, that "he hardly knew what to do, for he was ordered to lend more of the public money than he could get security for." It is from this increase of banks, and this increase of issues, and from this alone, that the expansion so injurious to the country really sprang.

I know it may be said that there were expansions and contractions during the existence of the Bank of the United States. This I do not deny. The administration of that institution, I admit, was not always perfect; but I say, taking the whole period, of near half a century, during the existence of such a bank, the country was freer from violent and sudden extremes of contraction and expansion than it has ever been since that time. Why will not a fair reasoner draw his conclusions from the entire history of his country as a whole? In his late speech from this place, Mr. Wright said he would not look back to the history of the first Bank of the United States: he said that, under the second National Bank, there were great evils; but did he deny that, taking the whole forty years together, the country was less liable to fluctuations than it has since been? Not at all. Well, in the midst of this great expansion of banks and banking capital came the Specie Circular, whose tendency was to produce, and which did in fact produce,

great and sudden contractions. This violent action and reaction, superinduced on a previous state of pecuniary expansion, is fairly chargeable to the Administration itself, and is to be traced to the action of the Government, more than to all other causes.

But to return. How does it stand with respect to the States? Under what patronage, and at whose recommendation, did they contract the large and onerous debt of two hundred millions of dollars? Who induced this? Under what circumstances at home was it done? From 1820 to 1825, the aggregate of State debts amounted to twelve or thirteen millions. From 1825 to 1830, it stood at thirteen millions; but during the period from 1830 to 1835, it rose to forty millions. The effect of the increase of circulation did not begin fairly to develop itself in the country till 1834 and 1835. Then the State debts were augmented to forty millions; and between 1835 and 1840, they rose to one hundred millions.

It appears, from tables supposed to be accurately compiled, that the amount of stock issued by the several States, for each period of five years, since 1820, is as follows, viz.:—

From 1820—1825, somewhat over	12,000,000 ;
1825—1830, “ “	13,000,000 ;
1830—1835, “ “	40,000,000 ;
1835—1840, “ “	109,000,000 ;—

of which amount of one hundred and nine millions, nearly the whole was issued during 1835 and 1836, and part of 1837; that is to say, in the most palmy time of the Experiment.

So it appears that these “extravagant” State debts were contracted when the currency was most redundant; when the States, in common with all the country, were urged, and goaded, and lashed on to borrow; and when all sorts of extravagant hopes and schemes were indulged among the people. To this very redundancy, thus caused by the Government itself, in the vast multiplication of banks, and the free extension of loans, are to be traced these rash engagements of the States, for which they have been reviled in all quarters, from the head of the Government down to its lowest agency. There were one hundred millions of debts created in 1835 and 1836, in the very midst of the glow and flow of the deposit system. It was in these very years, distinguished, as the Administration say, for prudence and public prosperity, that the creation of the State debts kept pace with the bank creation and accommodation. The bank creation and accommodation kept pace with the Government experiment, and the Government experiment kept pace with the most rapid delusion which ever characterized any administration upon earth, or ever carried away an intelligent people.

And now I am on this subject, I must say a word or two on another topic, which it naturally suggests. One of the charges of the day is, that the opposition to the Administration has come out with a project for the assumption of all these State debts by the General Government. This charge was broached as a subject of attack on the Whigs in the Senate, early in the last session. Let us look a little into facts. I have said that the General Government encouraged the States to contract debts by making the currency plentiful; but they have also done this in another manner. It has been one of the favorite projects of the Administration, since the removal of the deposits, to vest the surplus revenue, and the increased funds of the United States, in State bonds. I do not say this is an assumption of the State debts, but I do say that the General Government did encourage the States to issue bonds, and did endeavor to give them all the credit it could.

In 1836, the project was taken up of distributing the surplus revenue among the States. This was not, indeed, a favorite measure of the leading men of the Administration, but was carried rather against their wishes. In May of that year, it was moved by Mr. Wright, of New York, then and now a prominent leader of the Administration party in the Senate, that this surplus should be vested in State stocks, and that whenever any further surplus might occur, it should be vested in the same manner. When the bill to regulate the State banks was under consideration, and a thirteenth section was proposed, distributing the 40,000,000 surplus among the States, Mr. Wright moved to strike out that provision, and to insert, in lieu of it, another clause, vesting the whole of the money in State bonds. And again, when the first sub-Treasury bill was brought forward, the same gentleman tacked on it a provision, that the surplus amounts in the Treasury should be vested in State bonds. And finally there were other sums, which we held in trust, from the sale of Indian lands, for the payment of Indian annuities, as well as the Smithsonian legacy, which were also authorized to be held in State bonds. I say, therefore, that so long as the contraction of those State debts was favorable to the Administration, they were the foremost of all men in fostering State credits, and in encouraging the States to enlarge their liabilities. For my associate, Mr. Wright, declared "that he would undertake to say, that he was not afraid to recommend such an investment of the national funds, as the States would issue *as many bonds as the Government might choose to buy!*"

But now, after all this, these same gentlemen, overreaching the whole intervening period, and going back to the beginning, reproach and criminate the States, from the very outset, for contracting the engagements to which the Government itself incited them. I do not say that this was an assumption of the State debts, but it certainly

was holding them up to Europe and the world as worthy of confidence, so long as it suited the purposes of the Administration so to do. And very pretty purposes it would have answered in view of the coming election, had they succeeded in their object, and the Secretary of the Treasury been vested with unlimited discretion to purchase State bonds at his pleasure. Suppose such a power now existed, and Mr. Woodbury, conscientious and scrupulous as he is known to be, was asked by us of Massachusetts, for instance, or had lately been asked by our good sister of Maine, to vest money in State bonds; how do you think the money would have been applied? No doubt it would have been given freely to the *patriotic* States, but as carefully withheld from those not deemed worthy of that title.

For this declaration, that the Whigs in Congress are in favor of the assumption of the State debts by the General Government, there exists not one particle of proof, nor the least possible foundation. I do not myself know a single man in Congress, who holds the opinion that the General Government has any more right to pay the debts of a State, than it has to pay the debts of a private individual. Congress might as well undertake to pay the debts of John Jacob Astor, as of the State of New York. I exempt, however, from these remarks, the distribution among the States of the proceeds of the public lands, and their application to pay the debts of the States, should the States choose so to apply the money. But I say there is no foundation whatever for such a plan of assumption as Mr. Benton and Mr. Grundy have so zealously declaimed against in the United States Senate.

You have all heard in the public papers (and it is one of the most despicable of all the inventions of the enemy) that transactions took place, in which I had a part, the object of which was to persuade Congress to assume the State obligations, and that I went to England for the worthy purpose of furthering such a design. Now, as I am among you this day, as among my friends, I will tell you all about it. I left this country in May, 1839. At that time I had neither read nor heard from living man of any such design. I went to England, and I must be permitted to say that it was a most gloomy time, so far as American securities in general, and the State debts in particular, were concerned. But I declare to you on my honor, that no European banker or foreign holder of State securities ever suggested to me, in the remotest manner, the least notion of the assumption of the State debts by the General Government. Once, indeed, I did hear the idea started by an American citizen; but I immediately told him that such a thing was wholly unconstitutional, and never could be effected, unless the people should adopt a new constitution. It was quite natural that I should be applied to in reference to the State

debts. The State to which I belong had sent out some stock to England to be sold, and so, I believe, had the State of New York. We heard, continually, the most gloomy accounts from the United States; and, in fact, this very thing was, to use a common expression, a great damper to my enjoyment while abroad. People frequently applied to me to know what security there was, that the American debts would be finally paid, and the interest, in the mean time, regularly discharged. I told them they might rely on the plighted faith of the States, and their ability to redeem their obligations. Nobody asked me whether there could be a United States guaranty to that effect, nor did I suggest such an idea to any one. Gentlemen came to me to ask about the Massachusetts bonds. They liked the offer of five-per cent. interest very much, as this was high for an English capitalist; but they wanted to know what assurance I could give that the investment would be a safe one. I went to my trunk, and took out an abstract of the official return of the amount of the productive labor of Massachusetts. I put this into the hand of one of those inquirers, and told him to take it home and study it. He did so, and in two days returned, and invested forty thousand pounds sterling in Massachusetts stock. Others came, and made similar inquiries as to New York securities. I gave them a copy of the very able and admirable Report made by your townsman, Mr. Ruggles, in 1838, and they came back satisfied. But to none did I suggest, or in the remotest manner hint, that they could look to the United States to secure the debt. I endeavored to uphold the credit of all the States. I remembered that they were all my countrymen, and I stated facts in relation to each, as favorably as truth would allow. And what happened then? Gentlemen, it is fit that you should know that there exists a certain *clique* in London, who are animated by an unextinguishable hate of American credit. You may set it down as a fact that it is their daily, their incessant, vocation, to endeavor to impair the credit of every one of the States, and to represent the purchase of their bonds as an unwise and dangerous investment of money. On this subject their ferocity knows no mitigation: it is deaf to all justice, and proof against all reason. The more you show them it is wrong, the more tenacity of purpose do they exhibit. That part of the public press over which they have control is furnished, I am ashamed to say, with matter drawn from publications which originated in this city, and the object of which is to prove, that State bonds are so much waste paper, the State having no right to issue any such obligations, their holders being, therefore, utterly destitute of any security. And these miserable and contemptible speculations are put into the papers of the largest circulation in Europe, and enforced by all the aid they can derive from editorial sanction. It was under circumstances like these that a large banking house in

London put to me, as a lawyer, the professional question, whether the States were empowered to issue evidences of debt payable by the State. I answered that, for this purpose, they were as completely sovereign as any state in Europe; that they had a Public Faith to pledge, and did pledge it. This entire correspondence was published, (though you might as well get any Administration editor in this country to take hold of a pair of hot tongs as to insert it in his columns,) in the face of those who have been shouting in all quarters, that I had a personal agency in bringing about an assumption of State debts by the General Government.

It so happened, that, in the latter part of October, the house of Barings issued a Circular to foreign houses on this subject, which Circular I never saw till I arrived in America. In this paper they speak of such an assumption or guaranty; but as it went to foreign houses, I never saw, nor did I hear of it till last December, when I heard, at the same time, of the proceedings of Mr. Benton. But I here wish again to repeat, that during the whole time I was in Europe, no English banker or foreign bond-holder ever suggested an idea of such an assumption. The first I heard of it was from an American citizen there, and not again till my return to this country. I have said that, owing to the bad news which was constantly received from this country, the pleasure of my visit was much diminished. I will now say that, during the whole time of my absence, I had the lowest hopes, as to the political state of the country, which I ever indulged. I saw the fatal workings of the experiment, and I saw that nothing wiser or better was in the mind of the Administration. And though I knew that a vast majority of my countrymen were opposed to the existing policy, yet I did not see them sufficiently roused, nor had I confidence that they would ever come to that cordial union in relation to any one candidate for the Presidency, which would enable them, as a party, to take the field with any rational hope of success.

Such were the gloomy feelings which possessed my mind, when I first learned the result of the Harrisburgh Convention. But when I saw a nomination which, though unwelcome at first to many, I thought the best that could possibly have been made, and learned that it was fast gaining the approbation of all who thought with me; and above all, when I beheld the warm enthusiasm and the heartfelt union which soon animated their ranks, and concentrated their movements, I then began to entertain a confidence that the hour of deliverance was at hand, and that my long-suffering country would yet relieve herself from the disastrous condition to which she had been reduced.

After a brief pause, Mr. Webster said, I hope, Gentlemen, you will not be alarmed, if I take from my notes one more paper. I will detain you but a few moments in briefly expressing the opin-

ions I entertain in regard to the sub-Treasury. It appears to me to be a scheme entirely new to our history, and foreign to our habits, and to be the last of a series of baffled experiments, into which the representatives of the people have been lashed and fatigued by the continued exercise of executive power, through four mortal sessions of Congress.

I will say a word or two in relation to the system under the various aspects in which its friends have supported it. What are the arguments in its favor? The leading argument was that of safety to the Government. This was a plan to keep the public money where rogues could not run away with it. Now, I think there is a way to prevent that, which would be much more effectual; and that is, not to trust rogues with the keeping of the public money. But as to the notion of better vaults, and more secure, is it not the most ridiculous of all humbugs? I do not know in which of the bank vaults around me the receiver-general keeps his funds. If they are in a vault different from that which belongs to the bank, I will venture to say it is no better and no safer. It is said, however, that by this means Government is to keep its own money. What does this mean? Who is that Government? Who is that individual "I," who is to keep our money in his own pocket? Is not Government a mere collection of agencies? Is not every dollar it possesses in trust with somebody? It may be put in vaults under a key, but the key is given to somebody to keep. Government is not a person with pockets.

The only question is, whether the Government agents under the sub-Treasury are any safer than the Government agents before it was adopted? Mr. Wright, indeed, has assured us that the agents under the sub-Treasury are made responsible to the people. But how? In what respect? The receiver-general gives bonds, but how is he more responsible on that account than the collector in another street, who, like him, receives the public money, and like him gives bonds for its safe keeping? It is just the same thing. One of these officers is just as far from the people, and just as near to the people, as the other. How, then, is the receiver-general more directly responsible? There is not a particle of truth or reason in the whole matter. If the vaults are not better, is the security better? I have no manner of doubt that the receiver-general in this city is a highly respectable man; but where is the proof that the Government money is any safer in his vault than in the bank where he has his office? Suppose Mr. Allen had a private office of his own at a distance from the bank, and should give the same bonds he now does for the safe keeping of all moneys intrusted to him; how many of you would deposit your private funds in his office, rather than in a bank having half a million or a million of dollars capital, under the government of directors whose own fortunes

were deposited in its vaults? Try the experiment, and see how many would resort to Mr. Allen, and how many to the banks.

So far from being safer, I maintain, on the contrary, that this sub-Treasury scheme jeopardizes the public money, because it multiplies the hands through which it is to pass, and thereby multiplies the chances of corruption, or of loss. Your collector, Mr. Hoyt, receives the money on duty bonds. He holds it subject to the draft or order of the Secretary of the Treasury, or else is to pay it over to Mr. Allen. If Mr. Hoyt were dishonest, might he not have shared the money before the receiver-general could get at it? The scheme doubles the chances of loss by doubling the hands which are to keep the money.

But this scheme is to encourage the circulation of specie! I certainly shall not detain you on a matter with which you are more familiar than I am; but let me ask you a few questions. By one clause of the sub-Treasury law, one fourth of all the duties bonded is to be paid in specie, and the residue according to the resolution of 1816. Now, I want to know one thing; if one of you has a custom-house bond to pay, you go to the collector with a certified check, purporting to be payable *in specie*, for one fourth of the amount, and another check, in common form, for the other three fourths. Does not the collector receive these checks? That is the question I ask you. (Loud cries of "Yes!" "Yes!" "He does!" "He does!") Well, then, is not all that part of the law, which requires the payment of one fourth in specie, a mere sham? If you go to him with a draft, and demand specie, he will, no doubt, give it to you, if you request it; but if not, he gives you good notes. Where, then, is all this marching and countermarching of specie, which was to gladden our eyes? Is it not all humbug? What does the collector do with the money when he gets it? Does he not deposit it in a bank of a very unsavory name? I do not certainly know, but I believe he deposits it in the Bank of the United States. He afterwards pays it over to the receiver-general, and gives him all the specie he wants; and yet, after all, there is no general use of specie in the matter.

They speak about a divorce between Bank and State; and what does it amount to? I ask you, Is not the great amount of Government funds at this moment in safe keeping in some bank? I believe it is. Then there is no separation. The Government gives the money to individuals to keep, and they, like sensible men, put it into bank. Is this separation? If any change is made in the connection, it is to render it more close; and, like other illicit connections, the closer it is, the more secret it is kept.

It is called the "Independent Treasury," and some of its friends have called it "a second Declaration of Independence." Independence! how? of what? It is dependent on individuals, who imme-

diately go to the bank ; and is it to be tolerated that there should be this outcry about the use of specie, when here, you, in the heart of the commercial community, see and know that there is no such thing ?

But though at present this is all sham, yet that power to demand specie, which the law contains, when its requirements shall cover the whole revenue of the Government, and when that revenue shall be large, may, in its exercise, become a most dangerous instrument. When Government shall have, in the banks of this city, twelve to fifteen millions of dollars on deposit, as it has had, it will be in the power of the Government to break down, at its pleasure, one, if not all of these institutions. And when you go to the West, where the money is received for the public lands, every specie-paying bank in the country may, at the mere pleasure of the Government, be compelled to shut up its doors. — But this Independent Treasury is to be independent of the banks ! Well, if the sub-Treasury law is to be called the second Declaration of Independence, then there is a third Declaration of Independence, and that is the Treasury note law. How marvellously free does that make us of banks ! While two millions of these notes, bearing interest, are deposited there, — and there, — and there, — in all these banks around me ! Deposited ? How deposited ? They are sold — and how sold ? They are deposited in these banks, carrying interest, while the bank gives the Government authority to draw for money as it shall need. Now, I say the bank may make, not a very unreasonable, but a very reasonable, amount, by the interest in these notes, before it is called on to pay out any of its own money. One of these accounts between bank and Government was examined by a friend of mine ; I had not myself time to look at it. The bank received Treasury notes bearing interest : it passed these to the credit of Government, at the nominal amount : the Government was then to draw for money as it wanted it ; and, on that single transaction, the bank realized between eighty and a hundred thousand dollars in interest. Now, this is what I call a third Declaration of Independence ! You know, by the Secretary's Report, that the Government has already issued nearly the whole of the five millions authorized by Congress. Two millions lie in the banks, drawing interest, the banks paying Government drafts as they come in. And this is setting up for independence of the banks !

Again, the fashion now is, since Mr. Calhoun has forced the Administration to insert in the law the specie clause, for Government to discredit the use of bank paper whenever it can. That is the general tone of the Government communications. They avow such to be their object, and I believe them. But who can tell the consequence of discrediting bank paper, if our revenues should ever again become what they have been in times past ? It is a power

by which Government can break the solvent banks, but can never make the insolvent return to their duty.

But, then, it is said, all this cannot be any great matter, because Mr. Wright tells us, that, in ordinary times, five millions of dollars will perform all the operations of receipt and expenditure. Now, that proposition depends upon Mr. Wright's estimate of what the expenditure will be. Does he expect to reduce it to the standard of Mr. Adams's administration, once denounced as so extravagant? Does he expect to reduce the thirty-nine millions to thirteen millions? or will he go below that? He does not tell us. For my own part, I believe five, or five and a half, millions would be a moiety of the average amount of specie in all the banks in the city. You can judge for yourselves what must be the effect of withdrawing one half of all the specie in these banks, and of locking it up in the sub-Treasury vaults.

But how does all this stand with Mr. Wright's main argument? He says that the great object to be effected by the sub-Treasury law, is to prevent fluctuations, by preventing the banks from discounting upon the public money; but if five millions of dollars only are needed for the ordinary Treasury operations, can such a sum as this have produced all the fluctuations in the commercial community? Surely not. In his printed speech, he says that the chief practical difference produced by the law is, that the money is now kept by Mr. Allen, which used to be kept by the Bank of America. But is that all? What, then, becomes of the specie clause? I suppose he knows that was all a sham.

Gentlemen, I will not detain you longer on the practical operation of this sub-Treasury scheme. So far as relates to the receipts and disbursements of the public treasure, you know better than I. A great part of these operations take place in your own city. But permit me now to go, for a moment, into the political objection to this sub-Treasury scheme; I mean *its utter omission of all concern with the general currency of the country*. This objection is cardinal and decisive. It is this which has roused the country, and which is to decide the fate of the present Administration. But the question is so general, it has so long been before the country, and so frequently discussed in all quarters, that I will not farther extend my remarks in regard to it. I believe that the mind of the people is now thoroughly awakened, and that the day rapidly approaches when their final judgment will be pronounced.

There is yet one topic on which I must detain you for only a moment, and I will then relieve you. We have the good fortune, under the blessing of a benign Providence, to live in a country which we are proud of for many things — for its independence, for its public liberty, for its free institutions, for its public spirit, for its enlightened patriotism; but we are proud also, — and it is among

those things we should be the most proud of, — we are proud of its public justice, of its sound faith, of its substantially correct morals in the administration of the Government, and the general conduct of the country, since she took her place among the nations of the world. But among the events which most threaten our character and standing, and which so grossly attach on these moral principles that have hitherto distinguished us, are certain sentiments which have been broached among us, and, I am sorry to say, have more supporters than they ought, because they strike at the very foundation of the social system. I do not speak especially of those which have been promulgated by some person in my own State, but of others which go yet deeper into our political condition. I refer to the doctrine that one generation of men, acting under the Constitution, cannot bind another generation who are to be their successors; on which ground it is held, among other things, that State bonds are not obligatory. What! one generation cannot bind another? Where is the line of separation? It changes hourly. The American community to-day is not the same with the American community to-morrow. The community in which I began this day to address you, is not the same as it is at this moment.

How abhorrent is such a doctrine to those great truths, which teach us that, though individuals flourish and decay, states are immortal — that political communities are ever young, ever green, ever flourishing, ever identical! The individuals who compose them may change, as the atoms of our bodies change, but the political community still exists in its aggregate capacity, as do our bodies in their natural; with this only difference — that we know that our natural frames must soon dissolve, and return to their original dust; but, for our country, she yet lives — she ever dwells on our hearts — and it will, even at that solemn moment, go up as our last aspiration to Heaven, that she may be immortal.

S P E E C H

DELIVERED IN THE CAPITOL SQUARE DURING THE WHIG CON-
VENTION AT RICHMOND, VIRGINIA, OCTOBER 5, 1840

VIRGINIANS: The wisdom of our fathers has established for us a Constitution of government which enables me to appear here to-day, and to address you as *my fellow-citizens*; and half a century of experience has shown how useful to our common interest, how conducive to our common renown and glory, is that Constitution by which we have been united. I desire to pay due honor to those illustrious men who made us—the children of those who fell at Bunker Hill and Yorktown—members of the same political family, tied together by the same common destiny, and awaiting the same common prosperity, or common adversity, in all time to come. It is the extraordinary nature of the times, united with a long-cherished desire to visit Virginia, which has occasioned me the pleasure I enjoy of being in the midst of you all to-day. I have come more for the purpose of seeing and hearing you than of speaking to you myself. I have come to mingle myself among you; to listen to the words of your wise and patriotic men; that I may improve my own patriotic feeling by communication with the chivalrous spirits of this Ancient Dominion. But, inasmuch as there are, or may be, some questions of national policy, or of constitutional power, on which you and I differ, there are some amiable persons who are so very considerate of your reputation, and of my reputation, as to signify that they esteem it a great breach of propriety that you should invite me to come here, or that I should accept your invitation. Let us hope that these amiable persons will allay their fears.

If there be any question or questions on which you and I differ in opinion, those questions are not to be the topics of discussion to-day. No! We are not quite soft enough for that. While in the presence of a common enemy, who is armed to the teeth against us both, and putting forth as many hands as Briareus to destroy what we think it most important to preserve, does he imagine that, at such a moment, we shall be carrying on our family controversies?—that we are going to give ourselves those blows which are due to him? No! Regarding him as the enemy of our country, we mean to pursue him till we bring him to capitulation

or to flight; and when *we have done that*, if there are any differences of opinion among us, we will try to settle them ourselves, without his advice or assistance; and we will settle them in a spirit of conciliation and mutual kindness. If we do differ in any of our views, we must settle that difference, not in a spirit of exasperation, but with moderation — with forbearance — in a spirit of amity and brotherhood.

It is an era in my life to find myself on the soil of Virginia addressing such an assemblage as is now before me: I feel it to be such: I deeply feel the responsibility of the part which has this day been thrown upon me. But, although it is the first time I have addressed an assembly of my fellow-citizens upon the soil of Virginia, I hope I am not altogether unacquainted with the history, character, and sentiments of this venerable State. The topics which now are agitating the country, and which have brought us all here to-day, have no relation whatever with those in which I differ from the opinions she has ever entertained. The grievances and the misgovernment which have roused the country, pertain to that class of subjects which especially and peculiarly belong to Virginia, and have from the very beginning of our history. I know something of the community amidst which I stand — its distinguished and ardent attachment to civil liberty, and its habit for political disquisition. I know that the landholders of Virginia are competent, from their education and their leisure, to discuss political questions in their elements, and to look at Government in its tendencies, as well as in the measures it may at present pursue. There is a sleepless suspicion, a vigilant jealousy of power, especially of Executive power, which for three quarters of a century has marked the character of the people of the Old Dominion; and if I have any right conception of the evils of the time, or of the true objection to the measures of the present Administration, it is, that they are of such a kind as to expose them, in an especial manner, to that sleepless jealousy, that stern republican scrutiny, that acute and astute inspection, which have distinguished the present as they have all preceding generations of men in this ancient Commonwealth. Allowing this to be so, let me present to you my own view of the present aspect of our public affairs.

In my opinion, a decisive majority of all the People of the United States has been, for several years past, opposed to the policy of the existing Administration. I shall assume this in what I have further to say, because I believe it to be true; and I believe that events are on the wing, and will soon take place, which will proclaim the truth of that position, and will show a vote of three fourths of the votes of the electoral colleges in favor of a CHANGE OF MEN. Taking this, for the present, as the true state of political feeling and opinion, I next call your attention to the fact of the very extraordinary excitement, agitation, and I had almost said commotion, which marks the

present moment throughout every part of the land. Why are these vast assemblages every where congregated? Why, for example, am I here, five hundred miles from my own place of residence, to address such an assembly of Virginians on political subjects? And why does every day, in every State, witness something of a similar kind? Has this ever been the case before? Certainly not in our time, and once only in the time of our fathers. There are some present here who witnessed, and there are others who have learned from the lips of their parents, the state of feeling which existed in 1774 and 1775, before the resort to arms was had to effect the objects of the Revolution. I speak now of the time when Patrick Henry, standing, as we now do, in the open air, was addressing the Virginians of that day, while, at the same moment, James Otis and his associates were making the same rousing appeal to the People of Massachusetts. From that time to this there has been nothing in any degree resembling what we now behold. This general earnestness, this universal concern of all men in relation to public affairs, is now witnessed for the first time since the Revolution. Do not men abandon their fields in the midst of seed-time—do they not leave their various occupations, as you have now done—to attend to matters which they deem more important? And is it not so through all classes of our citizens all over the whole land? Now, the important question I wish to put is this,—and I put it as a question fit for the mind of the statesmen of Virginia,—I propose it, with all respect, to the deep deliberation and reflection of every patriotic man throughout the country;—it is this: If it be true that a majority of the People of the United States has, for some years, been opposed in sentiment to the policy of the present Administration, WHY IS IT NECESSARY that these extraordinary efforts should be put forth to turn that Administration out of power, and to put better men in their places? We inhabit a free country;—every office of public trust is in our own hands, at the disposal of the People's own suffrages; all public concerns are controlled and managed by them, at their own pleasure; and the trust has always been to the ballot-box, as an effectual means to keep the Government at all times in conformity with the public will. How, then, has it happened that, with all this, such extraordinary efforts have been necessary to put out a particular Administration? Why has it not been done by the silent power of the elective franchise? Why has not the Government been changed both in its policy and in the men who administer it? I desire, from the free, the thinking men of Virginia, an answer to that question. When the elections are every where showing that a large majority of the People is opposed in sentiment to the existing Administration, I desire them to tell me how that Administration has held its place and pursued its own peculiar system of measures so long?

My answer to my own question is this: In my judgment, it has come to be true, in the actual working of our system of Government, that the Executive power has increased its influence and its patronage to such a degree that it may counteract the will of a majority of the People, and continue to do so until that majority has not only become very large, but till it has united in its objects and in its candidate, and, by a strenuous effort, is enabled to turn the Administration out of power. I believe that the patronage of the Executive in our Government has increased, is increasing, and ought to be diminished. I believe that it does enable the incumbents to resist the public will, until the country is roused to a high and simultaneous effort, and the imperative mandate of the public voice dismisses the unfaithful servants from their places. The citadel of the Administration can only be carried by general storm.

Now, I ask, can it be supposed that this Government can go on long in a course of successful operation, if no change can be produced without such an effort as that in which the People of this country are now engaged? I put it to the old-fashioned Republicans of Virginia. I ask them, whether it can be supposed that this free Republican Government of ours can last for half a century longer, if its Administration cannot be changed without such an excitement, — I may say such a civil revolution, — as is now in progress, and, I trust, is near its completion?

I present this case as the greatest and strongest of all proofs that Executive power in this country has increased, and is dangerous to liberty.

If this be so, then I ask, What are the causes which have given and have augmented this force of Executive power? The disciples of the ancient school of Virginia long entertained the opinion that there was great danger of encroachment by the General Government on the just rights of the States; but they were also alarmed at the possibility of an undue augmentation of the Executive power. It becomes us, at a crisis like the present, to recur to first principles — to go back to our early history, and to see how the question actually stands.

You all well know that, in the formation of a Constitution for the government of this country, the great difficulty its framers encountered was with regard to the Executive power. It was easy to establish a House of Representatives, and a second branch of the Government in the form of a Senate, for it was a very obvious thing to say that the States should be represented in one House of Congress as the People were represented in the other. But the great and perplexing question was, how to limit and regulate the Executive power in such a manner, that, while it should be sufficiently strong and effective for the purposes of Government, it should not be able to endanger civil liberty. Our fathers had seen and felt the inconvenience, during

the Revolutionary War, of a weak Executive in Government. The country had suffered much from that cause. There was not any unity of purpose or efficiency of action in its Executive power. As the country had just emerged from one war, and might be plunged into another, they were looking intently to such a Constitution as should secure an efficient Executive. Perhaps it remains to be seen whether, in this respect, they had not better have given less power to this branch, and taken all the inconvenience arising from the want of it, rather than to hazard the granting of so much as might prove dangerous not only to the other departments of Government, but to the safety and freedom of the country at large.

Because, in the first place, it is the Executive which confers all the favors of a Government. It has the patronage in its hands, and if we look at the augmentation of patronage which has taken place in this country, we shall see that in the course of things, and to answer the purposes of men, this patronage has greatly increased. We shall find the expenditures for office have been augmented. We shall find that this is true of the Civil and Diplomatic Departments — we shall find it is true of all the Departments; of the Post-Office, and especially of the Commercial Department. Thus, to take an instance from one of our great commercial cities: In the custom-house at New York, the number of officers has, in twelve years, increased threefold, and the whole expense, of course, in the same proportion.

Then there is the power of removal — a power which, in some instances, has been exercised most remorselessly. By whatever party it is wielded, unless it be called for by the actual exigencies of the public service, Virginia, more than any State of the Union, has ever rejected, disowned, disavowed, the practice of removal for opinion's sake. I do honor to Virginia in this respect. That power has been far less practised in Virginia than in certain States where the Spoils' doctrine is known to be more popular. But this power of removal, sanctioned as it is by time, does exist, and I have seen it exercised, in every part of the country where public opinion tolerated it, with a most unsparing hand.

I will now say, however, that which I admit to be very presumptuous, because it is said notwithstanding the illustrious authority of one of the greatest of your great men — a man better acquainted with the Constitution of the United States than any other man — a man who saw it in its cradle — who held it in his arms, as one may say, in its infancy — who presented and recommended it to the American people, and who saw it adopted very much under the force of his own reasoning and the weight of his own reputation — who lived long enough to see it prosperous, to enjoy its highest honors — and who at last went down to the grave among ten thousand blessings, for which, morning and evening, he had thanked God; —

I mean James Madison. Yet even from this great and good man, whom I hold to be chief among the just interpreters of the Constitution, I am constrained, however presumptuous it may be considered, to differ in relation to one of his interpretations of that instrument. I refer to the opinion expressed by him, that the power of removal from office does exist in the Constitution as an independent power in the hands of the President, without the consent of the Senate. I wish he had taken a different view of it. I do not say that he was wrong ; that in me would be too hazardous. I advert to this here, to show that I am not now for the first time preaching against the danger of an increase of Executive power ; for when the subject was in discussion before Congress, in 1835, I expressed there the same opinions which I have now uttered, and which have been only the more confirmed by recent experience. The power of removal places the hopes and fears, the living, the daily bread of men, at the disposal of the Executive, and does, thereby, produce a vast mass of Executive influence and control. Then, again, from the very nature of things, the Executive power acts constantly ; it is always in being — always in the citadel and on the lookout ; and it has, besides, entire unity of purpose. They who are in, have but one object, which is to keep all others out ; while those who are not in office, and who desire a change, have a variety of different objects, as they are to be found in different parts of the country. One complains of one thing, another of another ; and, ordinarily, there is no strict unity of object, nor agreement on candidates, nor concert of action ; and therefore it is that those wielding power within the citadel are able to keep the others out, though they may be more numerous. Hence we have seen an Administration, though in a minority, yet by the continued exercise of power, able to bring over a majority of the People's Representatives to the support of such a measure as the sub-Treasury, which, when it was first proposed, received but little favor in any part of the country.

Again ; though it may appear comparatively inconsiderable, yet, when we are looking at the means by which the Executive power has risen to its present threatening height, we must not overlook the power of — I will not say a pensioned — but of a patronized press. Of all things in a popular Government, a *Government Press* is the most to be dreaded. The press furnishes the only usual means of public address ; and if Government, by supporting, comes to control it, then they take to themselves, at the public expense, the great channel of all communication to the People. Unless France be an exception, where the minister regularly demands so many thousand francs for the management of the public press, I know of no Government in the world where the press is avowedly patronized to the same extent as it is in this country. Have not you, men of Virginia,

been mortified to witness the importance which is attached, at Washington, to the election of a Public Printer? — to observe the great anxiety and solicitude which even your own friends have been obliged to exercise to keep that appointment out of the hands of Executive power? One of the first things which, in my opinion, ought to be done, is, when a new Administration shall come in, to separate the Government Press from the politics of the country. I don't want the Government printer to preach politics to the People; because I know beforehand what politics he will preach — it will all be one *Io Triumphe* from the beginning of the first page to the end of the last paragraph. I am for cutting off this power from the Executive. Give the People fair play. I say, *Give the People fair play*. If they think the Government is in error, or that better men may be found to administer it, give them a chance to turn the present men out, and put better men in; but don't let them be compelled to give their money to pay a man to persuade them not to change the Government.

Well, there are still other modes by which Executive power is established and confirmed. The first thing it seeks to do is to draw strict lines of party distinction, and then to appeal to the party feelings of men. This is a topic which might lead me very far into an inquiry as to the causes which have overturned all popular Governments. It is the nature of men to be credulous and confiding toward their friends. If there exists in the country a powerful party, and if the head of that party be the head of the Government, and, avowing himself the head of that party, gives thanks for the public honors he has received, not to the country, but to his party, then we can see the causes in operation, which, according to the well-known character and tendencies of man, lead us to give undue trust and confidence to party favorites. Why, Gentlemen, kings and queens of old, and probably in modern times, have had their favorites, and they have given them unbounded trust. Well, there are sometimes among the people persons who are no wiser than kings and queens, who have favorites also, and give to those favorites the same blind trust and confidence. Hence it is very difficult — nay, sometimes impossible — to convince a party that the man at its head exercises an undue amount of power. They say, "He is our friend; the more power he wields, the better for us, because he will wield it for our benefit." There are two sorts of Republicans in the world: one is a very good sort; the other, I think, quite indifferent. The latter care not what power persons in office possess, if they have the election of those persons. They are quite willing their favorites should exercise all power, and are perfectly content with the tendencies of Government to an elective despotism, if *they* may choose the man at the head of it, and more especially if they have a chance of being chosen themselves. That is one sort of Republicanism. But that

is not our American liberty ; that is not the Republicanism of the United States, and especially of the State of Virginia. Virginians do not rush out into that extravagant confidence in men ; they are for restraining power by law ; they are for hedging in and strictly guarding all who exercise it. They look upon all who are in office as limited agents, and will not repose too much trust in any. That is American Republicanism. What was it that Thomas Jefferson said with so much emphasis ? “ Have we found angels in the form of men to govern us ? ” However it might have been then, we of this day may answer, No, no. We have found them at least like others, “ a little *lower* than the angels.” In the same spirit he has said, an elective despotism is not the Government we fought for. And that is true. Our fathers fought for a limited Government — a Government hedged all round with securities — or, as I heard a distinguished son of Virginia say, one fenced in with ten rails and a top rider.

Gentlemen, a distinguished lover of liberty of our own time, in another hemisphere, said, with apparent paradox, that the quantity of liberty in any country is exactly equal to the quantity of restraint ; because, if Government is restrained from putting its hand upon you, to that extent you are free ; and all regular liberty consists in putting restraints upon Government and individuals, so that they shall not interfere with your freedom of action and purpose. You may easily simplify Government ; shallow thinkers talk of a simple Government ; Turkey is the simplest Government in the world. But if you wish to secure entire personal liberty, you must multiply restraints upon the Government, so that it cannot go farther than the public good requires. Then you may be free, and not otherwise.

Another great power by which Executive influence augments itself, especially when the man who wields it stands at the head of a party, consists in the use of names. *Mirabeau* said that words are things ; and so they are. But I believe that they are often fraudulent things, though always possessed of real power. The faculty of taking to ourselves a popular name, and giving an unpopular name to an adversary, is a faculty of very great concern in politics. I put it to you, Gentlemen, whether, for the last month or two, the whole power of this Government has not consisted chiefly in the discharge of a shower of hard names. Have you, for a month past, heard any man defend the sub-Treasury ? Have you seen any man, during that time, burn his fingers by taking hold of Mr. Poinsett's Militia project ? Their whole resort has been to pour out upon us a tide of denunciation as aristocrats, aristocrats ; taking to themselves, the meanwhile, the well-deserved designation of true Democrats. How cheering, how delightful, that a man, independent of any regard to his own character or worth, may thus range

himself under a banner the most acceptable of all others to his fellow-citizens ! It is with false patriotism as with base money ; all relies on the stamp. It does not wish to be weighed ; it hates the scales ; it is thrown into horrors at the crucible ; it must all go by tale ; it holds out the King's head, with his name and superscription, and, if challenged, replies, Do you not see the stamp on my forehead ? I belong to the Democratic family — make me current. But we live in an age too enlightened to be gulled by this business of stamping ; we have learned to inquire into the true nature and value of things. Democracy most surely is not a term of reproach, but of respect. Our Government is a Constitutional, Democratic Republican Government ; and if they mean that only, there is none will dispute that they are good Democrats. But if they set up qualifications and distinctions, — if there are *genera and species*, — it may require twenty political Linnæuses to say to which classification they belong.

There is another contrivance for the increase of Executive power, which is utterly abhorrent to all true patriots, and against which, in an especial manner, General Washington has left us his farewell injunction ; I mean the constant recurrence to local differences, prejudices, and jealousies. That is the great bane and curse of this lovely country of ours. That country extends over a vast territory ; hence there are few from among us in Massachusetts who enjoy the advantage of a personal intercourse with our friends in Virginia, and but few of you who visit us in Massachusetts : the South is still more remote ; the difference which exists in habits and pursuits between us, enables the enemy to sow tares by exciting local prejudices on both sides. Sentiments are mutually ascribed to us which neither ever entertained. By this means a party press is enabled to destroy that generous spirit of brotherhood which should exist between us. All patriotic men ought carefully to guard themselves against the effects of arts like these.

And here I am brought to advert, for one moment, to what I constantly see in all the Administration papers, from Baltimore south. It is one perpetual outcry, admonishing the People of the South that their own State Governments, and the property they hold under them, are not secure if they admit a Northern man to any considerable share in the administration of the General Government. You all know that that is the universal cry. Now, I have spoken my sentiments in the neighborhood of Virginia, though not actually within the State, in June last, and again in the heart of Massachusetts in July, so that it is not now that I proclaim them for the first time. But further ; ten years ago, when obliged to speak on this same subject, I uttered the same sentiment in regard to slavery, and to the absence of all power in Congress to interfere, in any manner whatever, with that subject. I shall ask some friend connected

with the press to circulate in Virginia what I said on this subject in the Senate of the United States in January, 1830.* I have nothing

* The following is the passage to which Mr. Webster referred :—

Extract from Mr. Webster's Speech in Reply to Mr. Hayne, January 21, 1830.

"At the very first Congress, petitions on the subject of slavery were presented, if I mistake not, from different States. The Pennsylvania Society for promoting the Abolition of Slavery took a lead, and laid before Congress a memorial, praying Congress to promote the abolition by such powers as it possessed. This memorial was referred, in the House of Representatives, to a select committee, consisting of Mr. Foster of New Hampshire, Mr. Gerry of Massachusetts, Mr. Huntington of Connecticut, Mr. Lawrence of New York, Mr. Dickinson of New Jersey, Mr. Hartley of Pennsylvania, and Mr. Parker of Virginia—all of them, Sir, as you will observe, Northern men but the last. This committee made a report, which was committed to a committee of the whole House, and there considered and discussed on several days; and, being amended, although without material alteration, it was made to express three distinct propositions on the subject of slavery and the slave trade—First, in the words of the Constitution, that Congress cannot, prior to the year 1808, prohibit the migration or importation of such persons as any of the States then existing should think proper to admit; second, that Congress had authority to restrain the citizens of the United States from carrying on the African slave trade for the purpose of supplying foreign countries. On this proposition, our early laws against those who engage in that traffic are founded. The third proposition, and that which bears on the present question, was expressed in the following terms:—

"*Resolved*, That Congress have no authority to interfere in the emancipation of slaves, or in the treatment of them in any of the States, it remaining with the several States alone to provide rules and regulations therein which humanity and true policy may require."

"This resolution received the sanction of the House of Representatives so early as March, 1790. And now, Sir, the honorable gentleman will allow me to remind him that not only were the select committee who reported the resolution, with a single exception, all Northern men, but also, that, of the members then composing the House of Representatives, a large majority, I believe nearly two thirds, were Northern men also.

"The House agreed to insert these resolutions in its journal; and from that day to this it has never been maintained or contended that Congress had any authority to regulate or interfere with the condition of slaves in the several States. No Northern gentleman, to my knowledge, has moved any such question in either House of Congress.

"The fears of the South—whatever fears they might have entertained—were allayed and quieted by this early decision, and so remained until they were excited afresh, without cause, but for collateral and indirect purposes. When it became necessary, or was thought so by some political persons, to find an unvarying ground for the exclusion of Northern men from confidence and from lead in the affairs of the Republic, then, and not till then, the cry was raised, and the feelings industriously excited, that the influence of Northern men in the public counsels would endanger the relation of master and slave.

"For myself, I claim no other merit than that this gross and enormous injustice toward the whole North has not wrought upon me to change my opinions or my political conduct. I hope I am above violating my principles even under the smart of injury and false imputations. Unjust suspicion and undeserved reproach, whatever pain I may experience from them, will not induce me, I trust, nevertheless, to overstep the limits of constitutional duty, or to encroach on the rights of others. The domestic slavery of the South I leave where I find it—in the hands of their own Governments. It is their affair, not mine.

"I go for the Constitution as it is, and for the Union as it is; but I am resolved not to submit in silence to accusations, either against myself individually, or against the North, wholly unfounded and unjust; accusations which impute to us a disposition to evade the constitutional compact, and to extend the power of

to add to or to subtract from what I then said. I commend it to your attention, or rather I desire you to look at it. I hold that Congress is absolutely precluded from interfering in any manner, direct or indirect, with this, as with any other of the institutions of the States. (The cheering was here loud and long continued, and a voice from the crowd exclaimed, "We wish this could be heard from Maryland to Louisiana, and we desire that the sentiment just expressed may be repeated. Repeat, repeat!") Well, I repeat it — proclaim it on the wings of all the winds — tell it to all your friends — (cries of "We will! We will!") — tell it, I say, that standing here in the Capitol of Virginia, beneath an October sun, in the midst of this assemblage, before the entire country, and upon all the responsibility which belongs to me, I say that there is no power, direct or indirect, in Congress or the General Government, to interfere in the slightest degree with the institutions of the South.

And now, said Mr. Webster, I ask you only to do me one favor. I ask you to carry that paper home; read it; read it to your neighbors; and when you hear the cry, "Shall *Mr. Webster, the Abolitionist*, be allowed to profane the soil of Virginia?" that you will tell them that, in connection with the doctrine in that speech, I hold that there are two governments over us, each possessing its own distinct authority, with which the other may not interfere. I may differ from you in some things, but I will here say that, as to the doctrines of State Rights, as held by Mr. Madison in his last days, I do not know that we differ at all; yet I am one, and among the foremost, to hold that it is indispensable to the prosperity of these Governments to preserve, and that he is no true friend to either who does not labor to preserve, a true distinction between both.

We may not all see the line which divides them alike; but all honest men know that there is a line, and they all fear to go either on the one or the other side of it. It is this balance between the General and the State Governments which has preserved the country in unexampled prosperity for fifty years; and the destruction of this just balance will be the destruction of our Government. What I believe to be the doctrine of State Rights, I hold as firmly as any man. Do I not belong to a State? and, may I not say, to a State which has done something to give herself renown, and to her

the Government over the internal laws and domestic condition of the States. All such accusations, wherever and whenever made, — all insinuations of the existence of any such purpose, — I know and feel to be groundless and injurious. And we must confide in Southern gentlemen themselves; we must trust to those whose integrity of heart and magnanimity of feeling will lead them to a desire to maintain and disseminate truth, and who possess the means of its diffusion with the Southern public; and we must leave it to them to disabuse that public of its prejudices. But in the mean time, for my own part, I shall continue to act justly, whether those towards whom that justice is exercised receive it with candor or with contumely."

sons some little share of participated distinction? I say again, that the upholding of State Rights, on the one hand, and of the just powers of Congress, upon the other, is equally indispensable to the preservation of our free Republican Government.

And now, Gentlemen, permit me to address to you a few words in regard to those measures of the General Government which have caused the existing excitement throughout the country. I will pass rapidly over them. I need not argue to you Democrats the question of the sub-Treasury, and I suppose it is hardly necessary to speak to you of Mr. Poinsett's militia bill. Into which of your mountains has not its discussion penetrated? Up which of all your winding streams has not its echo floated? I am sure he must be very tired of it himself. Remember always that the great principle of the Constitution on that subject is, that the militia is the militia of the States, and not of the General Government; and being thus the militia of the States, there is no part of the Constitution worded with greater care, and with a more scrupulous jealousy, than that which grants and limits the power of Congress over it. Does it say that Congress may make use of the militia as it pleases? — that it may call them out for drill and discipline under its own pay? No such thing. The terms used are the most precise and particular: "Congress may provide for calling out the militia to execute the laws, to suppress insurrection, and to repel invasion." These three cases are specified, and these are all. Call out the militia to drill them? to discipline them? to march the militia of Virginia to Wheeling to be drilled? Why, such a thing never entered into the head of any man — never, never. What is not very usual in the Constitution, after this specific enumeration of powers, it adds a negative in those golden words, reserving to the States the appointment of officers and the *training* of the militia. That's it. Read this clause, and then read in Mr. Poinsett's project that the militia are to be trained by the *President*! Look on this picture, and on that. I do Virginia no more than justice when I say that she first laid hold upon this monstrous project, and has continued to denounce it, till she has made its author's heart sick; and she don't mean to pardon it even now.

As to the sub-Treasury, the subject is worn out. The topic is almost as empty of new ideas as the Treasury itself is of money. I had, the other day, the honor to address an assemblage of the merchants of New York. I asked them, among other things, whether this eternal cry about a separation of Bank and State was not all mockery and humbug; and thousands of merchants, intimately acquainted with the whole subject, cried, "Yes, yes; it is!" The fact unquestionably is, that the funds of the Government are just as much in the custody of the banks at this moment as they ever were; yet at the same time I

believe that, under that law, there does exist, whenever the revenues of the country shall be uncommonly large, a power to stop at pleasure all the solvent banks in the community. Such is the opinion every where held by the best informed men in the commercial parts of the country.

There is another expedient to augment Executive power quite novel in its character. I refer to the power conferred upon the President to select from among the appropriations of Congress such as he may suppose the state of the Treasury most to justify, and to give or withhold the public money accordingly. This is certainly a marvellously Democratic doctrine. Do you not remember the emphasis with which Mr. Jefferson expressed himself on the subject of specific appropriations? The law, as it now stands, requires them to be specific. If Congress, for instance, appropriate so many dollars for the building of ships, no part of the money may be applied to the pay of sailors or marines. This is the common rule. But how has this subject been treated in regard to those objects over which this Presidential discretion extends? The appropriations are specific still; but then a specific power is given to the President to dispense with the restriction; and thus one specific is set against the other. Let this process be carried but one step farther, and, although there may be a variety of appropriations made by Congress, yet, inasmuch as we have entire trust and confidence in the Executive discretion, that the President will make the proper selections from among them, therefore we may enact, or say it shall be enacted, that what little money there may at any time be found in the Treasury, the President may expend very much according to his own pleasure.

There is one other topic I must not omit. I am now endeavoring to prove that, of all men on the face of the earth, you of Virginia, the descendants and disciples of some of the greatest men of the Revolution, are most called to repudiate and to condemn the doctrines of this Administration. I call upon you to apply to this Administration all that body of political truth which you have learned from Henry, from Jefferson, from Madison, from Wythe, and that whole constellation of Revolutionary worthies, of whom you are justly proud, and under this light to examine and to say whether this present only Democratic Administration are the favorers of civil liberty and of State Rights, or the reverse. And, in furtherance of this design, I call your attention to the conduct of the President, of the Executive Departments, and of the Senate of the United States, in regard to the right and practice of the States to contract debts for their own purposes. Has it occurred to you what a deadly blow they have struck at the just authority and rights of the States? Let us follow this matter out a little. In the palmy times of the Treasury, when it was not only full but overflowing

with the public money, the States, to a very considerable extent, engaged in works of internal improvement, and, in consequence of doing so, had occasion to borrow money. We all know that money can be had on much cheaper terms on the other continent than on this: hence the bonds of the States went abroad, and absorbed capital in Europe; and so long as their credit was unassailed and remained sound, this was accomplished, for the most part, at very reasonable rates. During this process, and while a number of the States had thus their State securities in the foreign market, the President of the United States, in his opening Message to Congress at the commencement of the last session, comes out with a series of the most discouraging and most disparaging remarks on the credit of all the States. He tells Congress that the States will repent what they have done, and that they will find it difficult to pay the debts they have contracted; and this official language of the Chief Magistrate to the Legislature goes out into the very market where these State bonds are held for sale. Then comes his Secretary, Mr. Woodbury, with a report in the same strain, giving it as his opinion that the States have gone too far in this assumption of liabilities. But the thing does not stop here. Mr. Benton brings forward a resolution in the Senate declaring that the General Government ought not to assume these debts of the States: that resolution is sent to a committee, and that committee make a report upon the subject as long as yonder bridge, (though not, I believe, as much travelled or as often gone over,) the whole object and tendency of which is to disparage the credit of the States; and then Mr. Grundy makes a speech upon it. What had Mr. Benton or Mr. Grundy to do with the matter? Were they called on to guaranty the debts of Virginia or of Maryland? Yet the effect very naturally and inevitably was, to depress the value of State securities in the foreign market. I was in Europe last summer. Massachusetts had her bonds in that market: and what did I see? The most miserable, pitiful, execrable lucubrations taken from the Administration press in New York, endeavoring to prove that the States had not sovereignty enough to contract debts. These wretched productions declared that the bonds issued by the States of this Union were all void; that they were no better than waste paper; and exhorted European capitalists not to touch one of them. These articles, coming, as they did, from this side the water, were all seized on with avidity, and put into circulation in the leading journals all over Europe: at the same time, the Administration press in this country, unrebuked by the Government, put forth arguments going to show that Virginia has no authority to contract a debt in the name and on the credit of the Commonwealth; that Massachusetts is so completely shorn of every particle of sovereignty whatever, that she can issue no public security of any kind on which to borrow money!

And this is the doctrine of State Rights ! Well, Gentlemen, I was called on to meet this question, and I told those who put to me the inquiry, that the States of the American Union were, in this respect, just as sovereign as any of their states in Europe. I held a correspondence on the subject, which was published at large ; and for that — yes, for defending State Rights before the face of all Europe — I have been denounced as one who wants the General Government to assume the debts of the States — as one who has conspired to buy up British Whigs with foreign gold ! All this, however, has not ruffled my temper. I have seen it all with composure.

But I confess there is one thing which has disturbed the serenity of my mind. It is what appears to be a studied attempt, on the part of this whole Administration, including its head, to fix a spot upon the good name of the early founders of our Constitution. Read the letter of the President to some of his friends in Kentucky — to what he calls “the entire Democracy of Kentucky.” (I should like much to know what constitutes the Democracy of a State.) These good friends of the President write to him that the entire Democracy of the State is with him, and he writes back how happy he is to hear that such is the fact. The State comes to the vote, and two thirds of the People of the State are found to be against him ; yet still he clasps to his breast, with exultation, the “entire Democracy of Kentucky !” And so it will be a month hence. General Harrison will have been elected by a simultaneous rush of the free voters of the whole Union ; yet Mr. Van Buren will still insist that he has in his favor “the entire Democracy” of the country. Be this as it may, he does, in that letter, ascribe to President Washington, in 1791, and to Mr. Madison, in 1816, corrupt motives for their public conduct. I may forgive this, but I shall not forget it. I ask you to read that letter, and one other written on a similar occasion ; and then, if it comes in your way, I ask you to peruse an address put forth by the Administration members of the New York Legislature. What do you think they say ? You, countrymen of Jefferson and of Madison, of Henry, of Wythe, of the Lees, and a host of kindred spirits of the same order, — you, who inherit the soil and the principles of those men who shed their blood for our national independence, — what do you think they say of your fathers and of my fathers ? Why, that, in all their efforts and sacrifices in that great struggle, they meant, not independence, not civil liberty, not the establishment of a Republican Government, but merely to transfer the Throne from England to America, and to be themselves Peers and Nobles around it ! Does it not disturb the blood of Virginians to hear language like this ? I do say that this attempt to scorch the fair, unsullied reputation of our ancestors — ; but no, no, — they cannot scorch it ; it will go through a hotter furnace than any

their detraction can kindle, and even the smell of fire shall not be upon their garments. Yet it does raise one's indignation to see men, certainly not the greatest of all benefactors of their country, thus attempt to blight the fame of men both then and ever since universally admitted to have been among her greatest and her best of friends.

While speaking of the attacks of this Administration on State Rights, I should not do my duty if I omitted to notice the outrage recently perpetrated on the most sacred rights of the State and People of New Jersey. By the Constitution of the United States, New Jersey, like the other States, is entitled to have a certain quota of Representatives in Congress; and she chooses them on general ticket or in districts, as she thinks fit. The right to have a specific number of Representatives is a State Right under the Constitution. Under the constitutional guaranty of this right, New Jersey sends up to the House of Representatives her proper number of men. Now, I say that, by universal principles, although Congress be the judge, in the last resort, of the election return and qualification of her own members, those who bring in their hand the prescribed evidence of their election, by the people of any State, are entitled to take their seats upon the floor of that House, and to hold them until disturbed by proof preferred on petition. That this is so, must be apparent from the fact that those members who voted them out of their seats possessed no better or other means of proving their own right to sit and to vote on that question, than that held by any one of those whom they excluded. Were there other States situated precisely in this respect as New Jersey, would it not be as fair for the New Jersey members to vote these Representatives out of the Representative Hall as it was for them to vote hers out? I think it is Virginia law—it is at least plantation law, that is to say, the law of common sense, and that is very good law—that, until the House is organized, he who has the evidence of his return as a Representative elected by the people of his district, is entitled to take his seat. But the Representatives of New Jersey, with this evidence in their hand, were voted out of their seats; their competitors, while the evidence was still under examination, were voted in, and immediately gave their complacent votes for the sub-Treasury bill.

Gentlemen, I cannot forget where I am. I cannot forget how often you have heard these subjects discussed by far abler hands than mine. I will not further dwell upon these topics. The time has come when the public mind is nearly made up, and is very shortly about to settle these questions, together with the prosperity of the country for many years to come. I am only desirous of keeping myself to the line of remark with which I commenced. I say, then, that the enemy has been driven to his last citadel. He takes to himself

a popular name, while beneath its cover he fires all manner of abuse upon his adversaries. That seems to be his only remaining mode of warfare. If you ask him what are his pretensions to the honors and confidence of the country, his answer is, "I am a Democrat." But are you not in love with Mr. Poinsett's bill? The answer still is, "I am a Democrat, and support all the measures of this Democratic Administration." But do you approve of the turning out of the members from New Jersey? "O yes, because the words are written on our banner, (words actually placed on one of the Administration flags in a procession in the interior of New York,) '*The Democracy scorns the Broad Seal of New Jersey.*'"

My friends, I only desire that the professions and principles of this Administration may be examined. We are coming to those times when mere professions can no longer deceive. Virginia has once been deceived by them; but that day is past; the times are coming — they are, I trust, just at hand — when that distinguished son of Virginia, that eminent and patriotic citizen who has been put in nomination for the Chief Executive office under this Government, will be elected by the unbought, unconstrained suffrages of his countrymen. To that event I look forward with as much certainty as to the duration of his life.

My acquaintance with the feelings and sentiments of the North has been extensive; and I believe that, from Pennsylvania east, New Jersey, New York, and the whole of New England, with the solitary exception, probably, of New Hampshire, — I say, I have not a doubt that the whole of this part of the country will go for the election of William Henry Harrison for the Presidency. Of my native State of New Hampshire I shall always speak with respect. I believe that the very foundations of her granite hills begin to shake; indeed, my only fear for her is, that she will come into the great family of her sister States only when her aid is no longer needed, and therefore too late for her own reputation.

Fellow-citizens: We are on a great march to the triumphant victory of the principles of liberty over Executive power. If we do not accomplish it now, the future, I own, appears to me full of darkness and of doubt. If the American People shall sanction the course and the principles of this Administration, I, for one, though I have been thought hitherto of rather a sanguine temperament, shall begin not a little to despair of the Republic. But I will not despair of it. The public mind is aroused; men are beginning to think for themselves; and, when they do this, they are not far from a right decision. There is now an attempt on the part of the Administration, who seem beginning, at length, to fear for the perpetuity of their power, to excite a feeling of acrimony and bitterness among neighbors. Have you not seen this, particularly of late, in the Administration papers? Be above it. Tell your neighbors that we are

all embarked in one cause, and that we must sink or swim *together*. Invite them, not in a taunting, but in a generous and a temperate spirit, to come forth and argue the great questions of the day, and to see if they can give good and solid reasons why there should not be a change. Yes, a CHANGE. I said when I was in Baltimore, in May last, and I repeat it here, the cry, the universal cry, is for a change. However well many may think of the motives and designs of the existing Administration, they see that it has not succeeded in securing the well-being of the country, and they are for a change. Let us revile nobody; let us repel nobody. They desire but light; let us give it to them. Let us discuss with moderation and coolness the great topics of public policy, and endeavor to bring all men of American heart and feeling into what I sincerely believe to be the true AMERICAN CAUSE. How shall I—O, how shall I—express to you my sense of the obligation which rests upon this generation to preserve from destruction our free and happy republican institutions? Who shall spread fatal dissensions among us? Are we not together under one common Government, to obtain which the blood of your fathers and of mine was poured out together in the same hard-fought fields? Nay, does imagination itself, in its highest flight, suggest any thing in the form of political institutions for which you would exchange these dearly-bought constitutions of our own? For my part, having now arrived at that period of life when men begin to reflect upon the past, I love to draw around me in thought those pure and glorious spirits who achieved our Revolution, and established our forms of Government. I cannot find a deeper or more fervent sentiment in my heart than that these precious institutions and liberties which we enjoy may be transmitted unimpaired to the latest posterity; that they may terminate only with the termination of all things earthly, — when the world itself shall terminate —

“When, wrapped in flames, the realms of ether glow,
And Heaven’s last thunders shake the world below.”

REMARKS

TO THE LADIES OF RICHMOND, VIRGINIA, OCTOBER 5, 1840.

MR. WEBSTER addressed the Virginia Convention, at Richmond, on the 5th of October. During his short visit to the city, several friends called on him, of course; but he was unable to return their visits, or to pay his respects to their families, for want of time. It was suggested that the ladies who might desire to do so should assemble in the "Log Cabin," and that he should there pay his respects to them. The meeting was large, and the building quite full. On being introduced to them, in a few appropriate remarks, by Mr. LYONS, MR. WEBSTER addressed them in the following speech: —

LADIES: I am very sure I owe the pleasure I now enjoy to your kind disposition which has given me the opportunity to present my thanks and my respects to you thus collectively, since the shortness of my stay in the city does not allow me the happiness of calling upon those, severally and individually, from members of whose families I have received kindness and notice. And, in the first place, I wish to express to you my deep and hearty thanks, as I have endeavored to do to your fathers, your husbands, and your brothers, for the unbounded hospitality I have received ever since I came among you. This is registered, I assure you, on a grateful heart, in characters of an enduring nature. The rough contests of the political world are not suited to the dignity and the delicacy of your sex; but you possess the intelligence to know how much of that happiness which you are entitled to hope for, both for yourselves and for your children, depends on the right administration of Government, and a proper tone of public morals. That is a subject on which the moral perceptions of woman are both quicker and juster than those of the other sex. I do not speak of that administration of Government whose object is merely the protection of industry, the preservation of civil liberty, and the securing to enterprise its due reward. I speak of Government in a somewhat higher point of view; I speak of it in regard to its influence on the morals and sentiments of the community. We live in an age distinguished for great benevolent exertion, in which the affluent are consecrating the means they possess to the endowment of colleges and academies, to the building of churches, to the support of religion and religious

worship, to the encouragement of schools, lyceums, and athenæums, and other means of general popular instruction. This is all well; it is admirable; it augurs well for the prospects of ensuing generations. But I have sometimes thought that, amidst all this activity and zeal of the good and the benevolent, the influence of Government, on the morals and on the religious feelings of the community, is apt to be overlooked or underrated. I speak, of course, of its indirect influence, of the power of its example, and the general tone which it inspires.

A popular Government, in all these respects, is a most powerful institution; more powerful, as it has sometimes appeared to me, than the influence of most other human institutions put together, either for good or for evil, according to its character. Its example, its tone, whether of respect or disrespect to moral obligation, is most important to human happiness; it is among those things which most affect the political morals of mankind, and their general morals also. I advert to this, because there has been put forth, in modern times, the false maxim that there is one morality for politics, and another morality for other things; that, in their political conduct to their opponents, men may say and do that which they would never think of saying or doing in the personal relations of private life. There has been openly announced a sentiment, which I consider as the very concrete of false morality, which declares that "all is fair in politics." If a man speaks falsely or calumniously of his neighbor, and is reproached for the offence, the ready excuse is this: "It was in relation to public and political matters; I cherished no personal ill-will whatever against that individual, but quite the contrary; I spoke of my adversary merely as a political man." In my opinion, the day is coming when falsehood will stand for falsehood, and calumny will be treated as a breach of the commandment, whether it be committed politically or in the concerns of private life.

It is by the promulgation of sound morals in the community, and, more especially, by the training and instruction of the young, that woman performs her part towards the preservation of a free Government. It is generally admitted that public liberty, the perpetuity of a free constitution, rests on the virtue and intelligence of the community which enjoys it. How is that virtue to be inspired, and how is that intelligence to be communicated? Bonaparte once asked Madame de Staël in what manner he could most promote the happiness of France. Her reply is full of political wisdom. She said, "Instruct the mothers of the French people." Mothers are, indeed, the affectionate and effective teachers of the human race. The mother begins her process of training with the infant in her arms. It is she who directs, so to speak, its first mental and spiritual pulsations. She conducts it along the impressible years of childhood and youth, and hopes to deliver it to the rough con-

tests and tumultuous scenes of life, armed by those good principles which her child has received from maternal care and love.

If we draw within the circle of our contemplation the mothers of a civilized nation, what do we see? We behold so many artificers working, not on frail and perishable matter, but on the immortal mind, moulding and fashioning beings who are to exist forever. We applaud the artist whose skill and genius present the mimic man upon the canvass; we admire and celebrate the sculptor who works out that same image in enduring marble; but how insignificant are these achievements, though the highest and the fairest in all the departments of art, in comparison with the great vocation of human mothers! They work, not upon the canvass that shall fail, or the marble that shall crumble into dust, but upon mind, upon spirit, which is to last forever, and which is to bear, for good or evil, throughout its duration, the impress of a mother's plastic hand.

I have already expressed the opinion, which all allow to be correct, that our security for the duration of the free institutions which bless our country depends upon the habits of virtue and the prevalence of knowledge and of education. Knowledge does not comprise all which is contained in the larger term of education. The feelings are to be disciplined; the passions are to be restrained; true and worthy motives are to be inspired; a profound religious feeling is to be instilled, and pure morality inculcated, under all circumstances. All this is comprised in education. Mothers who are faithful to this great duty will tell their children that neither in political nor in any other concerns of life can man ever withdraw himself from the perpetual obligations of conscience and of duty; that in every act, whether public or private, he incurs a just responsibility; and that in no condition is he warranted in trifling with important rights and obligations. They will impress upon their children the truth, that the exercise of the elective franchise is a social duty, of as solemn a nature as man can be called to perform; that a man may not innocently trifle with his vote; that every free elector is a trustee, as well for others as himself; and that every man and every measure he supports has an important bearing on the interests of others as well as on his own. It is in the inculcation of high and pure morals, such as these, that, in a free Republic, woman performs her sacred duty, and fulfils her destiny. The French, as you know, are remarkable for their fondness for sententious phrases, in which much meaning is condensed into a small space. I noticed lately, on the title-page of one of the books of popular instruction in France, this motto: "Pour instruction on the heads of the people! you owe them that baptism." And, certainly, if there be any duty which may be described by a reference to that great institute of religion, — a duty approaching it in importance, perhaps next to it in obligation, — it is this.

I know you hardly expect me to address you on the popular political topics of the day. You read enough, you hear quite enough, on those subjects. You expect me only to meet you, and to tender my profound thanks for this marked proof of your regard, and will kindly receive the assurances with which I tender to you, on parting, my affectionate respects and best wishes.

REMARKS

UPON THAT PART OF THE PRESIDENT'S MESSAGE WHICH RELATES TO THE REVENUE AND FINANCES, DELIVERED IN THE SENATE OF THE UNITED STATES, DECEMBER 16 AND 17, 1840.

THE motion submitted by Mr. WRIGHT, on Monday, 14th inst., proposing to refer so much of the President's Message as relates to the Finances, to the Committee on Finance, coming up for consideration —

MR. WEBSTER rose, and addressed the Senate nearly as follows : —

MR. PRESIDENT : It has not been without great reluctance that I have risen to offer any remarks on the Message of the President, especially at this early period of the session. I have no wish to cause, or to witness, a prolonged, and angry, and exciting discussion on the topics it contains. The Message is, mainly, devoted to an elaborate and plausible defence of the course of the existing Administration ; it dwells on the subjects which have been so long discussed among us — on banks and banking, on the excess of commerce and speculation, on the State debts, and the dangers arising from them, on the sub-Treasury, as it has been called, or the Independent Treasury, as others have denominated it. I propose now to deal with none of these points. So far as they may be supposed to affect the merits or character of the Administration, they have, as I understand it, been passed upon by the country ; and I have no disposition to reargue any of them. Nor do I wish to enter upon an inquiry as to what, in relation to all these things, is supposed to have been approved or disapproved by the people of the United States, by their decision in the late election. It appears, however, thus far, to be the disposition of the nation to change the Administration of the Government. All I purpose at this time to do is, to present some remarks on the subject of the finances, speaking on the present state of things only, without recurring to the past, or speculating as to the future. Yet I suppose that some proper forecast, some disposition to provide for what is before us, naturally mixes itself up, in a greater or less degree, with all inquiries of this sort.

In this view, I shall submit a few thoughts upon the Message of the President ; but I deem it necessary to preface what I shall say with some few preliminary remarks.

And, first, I will say a word or two on the question whether or not unfounded or erroneous impressions are communicated to the people by that document, in several respects. In this point of view I first notice what the President says in the eighth page. He there represents it as the great distinctive principle — the grand difference in the characters of our public men — that of one class of them it has been the constant object to create and to maintain a public debt, and with another to prevent and to discharge it. This I consider as an unfounded imputation on those who have conducted the Government of this country. The President says “he has deemed this brief summary of our fiscal affairs necessary to the due performance of a duty specially enjoined upon him by the Constitution. It will serve also to illustrate more fully the principles by which he has been guided in reference to two contested points in our public policy, which were earliest in their development, and have been more important in their consequences than any that have arisen under our system of government: he alludes to a national debt and a National Bank.” About a National Bank I have nothing at present to say; but here it is officially announced to us that it has been a great contested question in the country whether there shall or shall not be a national debt, as if there were public men who wished a national debt, to be created and perpetuated for its own sake! Now, I submit it to the Senate, whether there has ever existed in the country any party, at any time, which avowed itself in favor of a national debt, *per se*, as a thing desirable? Does the history of the past debts contracted by the Government lay the least foundation for any such assertion? The first national debt we have had was the loan negotiated in Holland, by John Adams: None, I presume, ever doubted the policy of such a loan, in the then existing circumstances of the country. Then there came the debt contracted for the pay of the Revolutionary army, by the Continental Congress, or rather by the country through that Congress. Next were the debts incurred during the war by the States, for the purpose of carrying on the war. Provision was made for discharging these debts as the cost of our Revolution: can any body object to a debt like this? Of the same character were the loans made by Government to carry on the late war with Great Britain. These are the principal national debts we have ever contracted, and I cannot but think it singularly unfortunate that what looks so much like an imputation on those who authorized these loans should come from the head of an Administration which, so far as I know, *is the first that has ever commenced a national debt in a time of profound peace.*

And now to proceed to the actual state of the finances.

The Message, though it does not call the obligations of the Government a national debt, but, on the contrary, speaks in the strongest terms against a national debt, yet admits that there are Treasury

notes outstanding, and bearing interest, to the amount of four and a half millions ; and I see, connected with this, other important and leading truths, very necessary to be considered by those who would look out beforehand that they may provide for the future.

Of these, the first in importance is, that the expenditures of the Government during the term of the present Administration have greatly exceeded its income. I shall not now argue the question whether these expenditures have been reasonable or unreasonable, necessary or unnecessary. I am looking at the facts in a financial view, purely — and I say that during the last four years *the public expenditure has exceeded the public income at the rate of SEVEN MILLIONS OF DOLLARS PER ANNUM*. This is easily demonstrated.

At the commencement of the first year of this presidential term, in January, 1837, there was in the Treasury a balance of six millions of dollars, which was reserved from distribution by what has usually been called the Deposit Act. The intention of Congress was to reserve five millions only ; but, in consequence of an uncertainty which attended the mode of effecting this result, the Secretary, in his calculations, wishing to be, at least, on the safe side, it turned out that the sum actually reserved was six millions. Here, then, was this amount in the Treasury on the first of January, 1837. Events occurred during that year which induced Congress to modify the deposit act, so as to bring back again into the Treasury the fourth instalment of the sum to be deposited with the States, which amounted to nine millions. I find, further, from the communications of the Secretary of the Treasury now submitted to the Senate, that, for the stock for the United States in the Bank of the United States for which bonds had been given to the Treasury by the Bank of the United States of Pennsylvania, which bonds are now paid, there have been received eight millions. Now, Sir, these are all items of a preëxisting fund, no part of which has accrued since January, 1837.

To these I may add the outstanding Treasury notes running on interest, (four and a half millions ;) and the whole forms an aggregate of *twenty-seven and a half millions of dollars* of surplus, in addition to the current revenue, which have been expended in *three and a half* or four years — excepting, of course, what may remain in the Treasury at the end of that term. Here, then, has the Government been expending money at the rate of nearly eight millions per annum beyond its income. What state of things is that ? Suppose it should go on. Does not every man see that we have a vast debt immediately before us ?

But is this all ? — is this all ? I am inclined to think that, in one respect at least, it is not all. The Treasury, I think, has not duly distinguished, in reference to one important branch of its administration, between Treasury funds proper, and a trust fund, set apart by

treaty stipulation, to be invested for the benefit of certain Indian tribes. I say the Treasury has taken, as belonging to the Government, that which properly belongs to a trust fund which the Government engaged to invest in permanent stocks for the benefit of certain Indian tribes. This makes it necessary to look a little into these trust funds. By our treaty with the Chickasaws, the proceeds of the sales of the lands ceded to the United States by that tribe, were to be invested in permanent stocks, for the use of the members of that tribe. At the date of the last communication which I find, from the Treasury, the amount received on these sales was \$2,498,000 06. Bonds had been purchased to the amount of \$1,994,141 03; but as some of these bonds were purchased at rates above par, the sums vested in them amounted to \$2,028,678 54. This would leave a balance of \$369,000 uninvested at that time; and the Secretary informs us that the portion of it which had been received from the land offices had been "mixed up in the general fund." Here, then, is one item of trust money — money not our own — which has been mixed up with our own money, and received as part of the available funds of the Treasury. The stocks purchased for the Chickasaws appear to be as follows:—

Number of Bonds.	Interest, where payable.	Interest, when payable.	Times redeemable.	Rate pr. ct.	Am't of each	Total.
325 Ten.	Philadelphia,	1st January and July, . .	1848. . .	5	\$1,000	\$125,000 00
125 do.	do.	do. do.	1853. . .	5	do.	125,000 00
65 do.	Treasurer's office, Ten.	25th January and July, . .	1861. . .	5½	do.	65,000 00
1 do.	do. do. do.	do. do. do.	do. . . .	5½	do.	1,666 66
65 Ala.	Phoenix Bank, N. Y. . .	1st Monday May and Nov. . .	1852. . .	5	1,000	65,000 00
250 do.	do. do. do.	do. do. do.	1865. . .	5	do.	250,000 00
500 do.	Union Bank, N. Orleans	1st Monday June and Dec. . .	do. . . .	5	do.	500,000 00
500 do.	Commercial Bank, do.	do. do. do.	1866. . .	5	do.	500,000 00
161 Ind.	New York,	1st January and 1st July, . .	1857. . .	5	do.	161,000 00
41 do.	do.	do.	do. . . .	5	do.	41,000 00
3 Ohio	do.	do.	1856. . .	6	35,000 15,000 50,000	100,000 00
3 Md.	Baltimore,	8th February and August, . .	Ad libitum	5	do.	30,091 80
1 do.	do.	do. do.	1849. . .	5	do.	13,000 00
1 do.	do.	do. do. do.	1844. . .	5	do.	11,233 00
1 do.	do.	1st January, and quarterly, .	1870. . .	6	do.	6,149 57
Amount of Stock for Chickasaws,						\$1,994,141 03

As a matter of account and book-keeping, this might be thought correct, or it might not; but I think it would have been better to keep a separate account for funds thus held in trust, as every private individual does, who is made a trustee for the interests of others. If the facts are as I have gathered from the report submitted to Congress, here are three or four hundred thousand dollars of the trust fund not invested, and which remain yet to be invested for the benefit of these Indian tribes. As to the rates at which these bonds were purchased, I find it stated that one "lot" of Alabama bonds

was taken, March 31, 1836, at $4\frac{1}{2}$ per cent. premium; others, immediately after, at 4; others, in May, at $3\frac{1}{2}$; and others, in March, 1837, at 1 per cent. off. Tennessee bonds were purchased at par; Ohio bonds at $11\frac{7}{10}$ advance; part of the Maryland bonds at 3 per cent. off, part at 1 per cent. off, and part at $14\frac{4}{10}$ advance.

So much for the investment under the treaty with the Chickasaws. But we have other treaties presenting a more important case. We have treaties with eight tribes of Indians, by which treaties the United States stipulated to invest the amounts agreed to be paid for the lands ceded by them in State stocks. Take, for example, the stipulation in the treaty with the Sioux of the Mississippi. The article of the treaty is in these words:—

“Art. 2. In consideration of the cession contained in the preceding article, the United States agree to the following stipulations on their part: First, to invest the sum of \$300,000 in such safe and profitable State stocks as the President may direct, and to pay to the chiefs and braves as aforesaid, annually, forever, an income of not less than five per cent. thereon.”

The stipulations in the other treaties are substantially the same. The whole amount thus agreed to be invested for the eight tribes, by treaties, mostly entered into in the years 1837 and 1838, is \$2,580,100. This appears from the following statement, which I find in the documents:—

Statement exhibiting the Amount of Interest appropriated by Congress to pay the following Tribes, in lieu of investing the Sums, provided by the Treaties, in Stocks.

Names of Tribes.	Amount provided by Treaties to be invested in safe Stocks.	Annual Interest appropriated by Congress.	Treaties.
Ottawas and Chippewas, . . .	\$200,000	\$12,000	Resolution of the Senate.
Osages,	69,120	3,456	Resolution of the Senate, Jan. 19, 1838.
Delawares,	46,080	2,304	Treaty, 1832.
Sioux of Mississippi,	300,000	15,000	Treaty, Sept. 29, 1837.
Sacs and Foxes of Mississippi, .	200,000	10,000	Treaty, Oct. 21, 1837.
Sacs and Foxes of Missouri, .	157,400	7,870	Treaty, Oct. 21, 1837.
Winnebagoes,	1,100,000	55,000	Treaty, Nov. 1, 1837.
Creeks,	350,000	17,500	Treaty, Nov. 23, 1838.
Iowas,	157,500	7,875	Treaty, 1837.
	\$2,580,100	\$131,005	

Now, Sir, not one dollar of all this has been invested. The very statement which I have quoted shows this. That statement declares that, instead of investing this large sum, according to contract, the United States pays interest upon it, as upon a debt.

We are indebted, therefore, to these Indians in the whole amount we agreed to pay for these lands, which have been transferred to us, surveyed, put in market, and large portions of which, I suppose, have, ere this, been disposed of. We promised to invest the proceeds for their benefit — which has not been done. Instead of asking for money wherewith to purchase these stocks, the Treasury has been contented to ask for the amount of interest only, holding the United States debtors to the Indians, whereby a debt, to all intents and purposes, to the whole amount of this trust fund, is created, and is to be added to the amount of debt due by the Government. I do not say it must be paid to-day, or to-morrow; but it is an outstanding debt. The Government is under an undischarged treaty obligation to raise the money, and with it to buy stock for the benefit of the Indians.

In addition to all this, there will be found, I have no doubt, a heavy amount of outstanding debts due for public works, expenses growing out of army operations in Florida, indemnities for Indian spoliation in the South and West, and springing from a variety of other sources.

Now, Sir, I agree with all that is said in the Message as to the great impolicy, in time of peace, of commencing a public debt; but it seems to me rather extraordinary and inappropriate in the President to admonish others against such a measure, with all these facts immediately before him. In principle, there is no difference, as to the creation of a public debt, whether it be by issuing stock, redeemable after a certain period, or by issuing Treasury notes, which are renewable, and constantly renewed; and, if there be any difference in point of expediency, none can entertain any great doubt which of the two forms is best. Treasury notes are certainly not the cheaper of the two.

Now, we find the existence of this public debt as early as the existence of the present Administration itself. It began at the called session, in September, 1837. From the date of the first Treasury note bill, in October, 1837, there has been no moment in which the Government has not been in debt for borrowed money. The Secretary says it is not expected that the Treasury notes now out can be paid off earlier than in March, 1842. In whatever soft words he chooses to invest the matter, the sum and substance is this — that there must be a new issue of Treasury notes before the Government can be freed from embarrassment.

I must confess that it seems to me that the scope and tendency of the remarks in the Message are to produce an erroneous impression. Here is a series of very strong sentiments against a public debt, — against *beginning* a public debt, — and all said in face of a debt already begun, — existing now, and under such circumstances as to create the fear that it will turn out to be a very large one.

We know that these various outstanding charges cannot, or, at least, will not, be brought together, and presented in one aggregate sum, for some months to come. Is it intended by this document to forestall public opinion, so as, when it shall appear that there is a public debt, to give to it a date posterior to the 4th of March next? I hope not. I do not impute such a design. So far, however, as I am concerned, I shall take special good care to prevent any such result. I shall certainly recommend that there be a new set of books opened; that there be what merchants call "a rest;" that what is collected prior to March, 1841, and what is expended prior to March, 1841, stand against each other; so that, if there shall appear a balance in favor of this Administration, it may be stated; and, if the result shall be that the Administration is left in debt, let that debt appear, and let it be denominated "The debt of 1841," and which it will be the duty of Congress to provide for.

In one or two other respects, the Message is calculated to create quite an erroneous impression. In the 5th page, the President speaks on the subject of the Treasury notes in as mitigated a tone as possible, and tells us, first, that "this small amount still outstanding" is "composed of such as are not yet due." I suppose we all knew that. And then he adds that they are "less by twenty-three millions than the United States have on deposit with the States." I ask the Senate, and I would, if I could, ask the President, whether he means to recommend to Congress to withdraw the deposits now in the hands of the States, in order to discharge this debt on Treasury notes? Do the Administration look to these deposits as a fund out of which to discharge any of the debts of the Treasury? I find no recommendation of such a measure. Why, then, were these two things connected? There is nothing in the fact that the amount of Treasury notes is less by twenty-three millions than the amount deposited with the States, unless the President means to recommend that the latter sum shall be looked to as a means of discharging the former. Does he mean merely to inform Congress that twenty-three are less than twenty-eight? If not, why are the two thus placed in juxtaposition, and their amounts compared? The Secretary of the Treasury treats the matter in much the same way. He speaks of the deposits with the States as of funds in the Treasury. Look at his report. In stating the resources of the Treasury, he mentions the twenty-eight millions on deposit with the States. What can be the purpose of such a statement? When a Secretary of the Treasury presents to the world a statement of the means of his Department, it is universally supposed that his statement is confined to what either exists in the Treasury, or is likely to accrue under the operation of existing laws. But this deposit with the States is no more under the control of the Treasury than any other money in the country. He knows full well that

an act of Congress is as necessary to his disposal of any part of that sum, as it is to augment the rate of duties at the custom-house. The Treasury can no more use the deposits with the States, than it can lay a direct tax. What can be the purpose — the fair purpose — of presenting sums as funds in the Treasury, when they are not in the Treasury? Or what can be the fair purpose of referring to a fund as a means of payment, when it cannot be touched, unless the President means to recommend to Congress to recall the deposits made with the States? That Congress can do, and so it can augment the rate of duties; but, till it does, those deposits are no more means in the Treasury than if they belonged to another nation. The day, I hope, will come, — I have long desired it, — when we shall see plain fact plainly stated; when the reports of our fiscal officers will deal less in guesses at the future, and will no longer use forms and phrases, I will not say which are designed to mislead or to mystify, but the result of which is to mislead the nation, by mystifying the subject.

I said that though the honorable Secretary pretty clearly intimates that we must resort to a new issue of Treasury notes, yet the result of all is, that, if Congress wish to avoid the necessity either of increasing the duties, or of issuing new Treasury notes, he has a resource ready for them, viz., to reduce their appropriations below even his own estimates. This is much like what he told us last year; and yet, when we did reduce our appropriations within even his estimates, still the Treasury is in want of money.

One other remark is suggested by what the President says to us on the 6th page of his Message. He tells us that it is possible to avoid the "creation of a permanent debt by the General Government," and then goes on to observe, "But, to accomplish so desirable an object, two things are indispensable; first, that the action of the Federal Government be kept within the bounds prescribed by its founders." Now, I did suppose that this duty of keeping the action of the Federal Government within the bounds of the Constitution was absolute; that it was not affected by times, circumstances, or condition, but was always peremptory and mandatory. What is the inference to be drawn from the President's language? If the Treasury is empty, you must keep within the Constitution. And what if it is full? Are you to break its bounds? to transcend the Constitution? I had always thought we should neither be tempted to this by an overflowing Treasury, nor deterred, by an empty one, from taking such a course as the exigencies of the country might require, to fulfil our own duties. The duty of keeping within our constitutional limits is an absolute duty, existing at all times, and in all conditions of things. If the Treasury be full to overflowing, we are still to undertake nothing, to expend money for nothing, which is not fairly within our power. And, if the

Treasury be empty, and the public service demand expenditures, such as it is our province to make, we are to replenish the Treasury.

There is also an important omission in the Message, to which I would call the notice of the Senate and of the country. The President says the revenue has fallen off two and a half millions of dollars under two biennial reductions of the rate of duties at the custom-houses under the law of 1833. Be it so. But do we not all know that there is before us, within a year, a much greater "relinquishment," (if that is the term to be applied to it,) and, within a year and a half more, another and the last of these reductions? Do we not see, then, from the present existence of a large debt, and from this further reduction of duties, (that is, if nothing shall be done to change the law as it now stands,) that a case is presented which will call for the deliberation and wisdom of Congress, and that some effort will be required to relieve the country?

But here is no recommendation at all on the subject of revenue. No increase is recommended of the duties on articles of luxury, such as wines and silks, nor any other way suggested of providing for the discharge of the existing debt. Now, the result of the whole is, that the experience of the President has shown that the revenue of the country is not equal to its expenditure; that the Government is spending seven millions a year beyond its income; and that we are in the process of running right into the jaws of debt. And yet there is not one practical recommendation as to the reduction of the debt, or its extinguishment; but the Message contents itself with general and ardent recommendations not to create a debt.

I know not what will be done to meet the deficiency of the next quarter. I suppose the Secretary's recommendation to issue Treasury notes will be followed. I should, myself, have greatly preferred a tax on wines and silks. It is obvious that, if this, or something like it, is not done, the time approaches, and is not far off, when provision must be made by another Congress.

I have thus stated my views of this portion of the Message. I think it leads to what may render an extra session necessary—a result I greatly deprecate on many accounts, especially on account of the great expenditure with which it will unavoidably be attended. I hope, therefore, that those who now have the power in their hands will make such reasonable and adequate provision for the public exigency as may render the occurrence of an extra session unnecessary.

Mr. Wright having spoken in answer to Mr. Webster's remarks of the day before, Mr. Webster replied, to the following effect:—

Mr. Webster said he should detain the Senate but a short time in answer to some of the honorable member's remarks, as he had

really not met the argument of Mr. W. yesterday. To begin with the subject of Indian treaties. The honorable member had said that the fund arising from the sale of the Chickasaw lands had all been invested to within some forty or fifty thousand dollars. He (Mr. W.) had founded what he had said in relation to this fund on the returns furnished to the Senate, — and, according to that document, the balance uninvested amounted to \$360,000, — but had added that he had heard that \$90,000 had been invested since the date of the returns. Mr. W. had made no complaint of the mode in which this fund had been invested, so far as it had been invested; and, if the whole of it had been invested, so much the better. But, in regard to the two and a half millions of the fund belonging to the Winnebagoes and other tribes, and which, according to the treaty, was to be invested for the benefit of those tribes, he asked of the Senate whether Mr. Wright had fairly met the force of the argument he had advanced, (if it had any force to be met.) He had not complained of the treaty, nor had he charged the Administration with any extravagance or want of providence in entering into it; that was not the point; the point was, that this amount constituted a *debt*, for the payment of which it was incumbent on the Government to provide; and that, as such, it ought to be kept before the view of Congress, whereas it had been kept entirely out of sight. That was his point. The honorable member admitted that it was a debt, but contended that it was not to be reckoned as a portion of the public national debt. If, by this, the honorable member meant to say that this amount formed no part of the debt arising from borrowed money, unquestionably he was right; but still it was a national debt; the nation owed this money; and it entered necessarily, as one important item or element, into a statement of the financial condition of the Government. The honorable member had asked, if this were so, why such a statement ought not, in like manner, to include the Indian annuities. They were included, in effect. Did not the annual report from the Department always state the amount of those annuities as part of the expenditures for which Congress was to provide? Are they not always in the estimates? So the member asked why the pensions were not to be included. The same answer might be made. The amount of that expenditure, also, was annually laid before Congress, and it was provided for as other demands on the Government. He had not complained of this amount of two and a half millions of Indian debt; he himself had never opposed these treaties. All he had contended for was, that, as an amount to be provided for, it was as much a part of the public debt as if it had consisted of borrowed money; it was a demand which Congress was bound to meet. In any general view, therefore, of the liabilities of the Government, was there one element of those liabilities which could with more truth and justice be inserted than this?

He (Mr. W.) had said that he commended the argument of the President in opposition to a national debt; and he should be quite unwilling to have it supposed that any thing he said could be wrested (he did not charge that it had been intentionally so wrested) to favor the idea of a public debt at all. But he must still insist that the language employed by the President on the 8th page of his Message did refer to past political contests in this country, and did hold out the idea that, from the beginning of the Government, in the political contests which had agitated the country, there had been some men or some parties who were in favor of the creation and continuance of a public debt, as part of their policy; and this he (Mr. W.) had denied. The idea in the Message was, not that there were certain great *interests* in the country which were always, from the nature of things, in favor of such a debt, on account of the advantages derivable from it to themselves, as the honorable member has argued to-day. If the President had stated this, as it had now been stated in the speech of the honorable member, nobody could have taken any exception to it. But that was not what the Message did say. The point of objection was, that the Message charged this fondness for a national debt upon some one of the parties which had engaged in the past political strifes of the country, and had represented it as a broad and general ground of distinction between parties; that one was the advocate of a national debt, as of itself a good, and the other the opponent of the existence of a debt. This he regarded as an imputation wholly unfounded; and it was on this ground that he had objected to that portion of the Executive communication. No facts in our history warranted the allegation. It was mere assumption.

Mr. W. proceeded to say that he had, when before up, omitted one important item, in stating the amount of expenditures, under the existing Administration, beyond the accruing revenue, which ought to be brought to the public view. If he (Mr. W.) was in error, the honorable member would put him right. In March, 1836, a law had passed, postponing the payment of certain revenue bonds, in consequence of the great fire at New York, for three, four, and five years. The great mass of these postponed bonds had fallen due, and had been received into the Treasury, since the present Administration had come into power. The total amount was about six millions of dollars. This being so, then the whole amount of expenditure, over and above the accruing revenue, would amount to thirty-four millions, or thereabouts, and would thus give an annual excess of expenditures over receipts of *eight and a half millions* a year; and he insisted, again, that, looking at the matter in a purely financial view,—looking at the comparative proportion of liabilities, and of means to discharge them, when the President found an excess of the former continuing for four years, at the rate

of *eight and a half millions per annum*, and did not particularize any one branch of expenditure in which a considerable practical deduction could be made, (unless so far as it might take place in the pension list, by the gradual decease of the pensioners,) — and when he proposed no new measure as a means of replenishing the exhausted Treasury, — the question for Congress and for the nation to consider was, whether this was a course safe to be pursued in relation to our fiscal concerns. Was it wise, provident, and statesmanlike?

There was another point in which (Mr. W. said) the honorable member from New York had entirely misapprehended him. He (Mr. Wright) had said that Mr. W. appeared to desire to avoid, as a critical and delicate subject, the question of the tariff; or, rather, had complained that this Administration had not taken it up. Now, he (Mr. W.) had not said a word about the tariff, further than to state that another great reduction was immediately approaching in the rate of duties, of which the Message took no notice whatever; while it did not fail to refer to two reductions which had heretofore taken place. What he (Mr. W.) had said on the subject of imposing new duties for revenue, had reference solely to *silks and wines*. This had been a delicate point with him at no time. He had, for a long period, been always desirous to lay such a duty on silks and wines; and it did appear to him the strangest thing imaginable, — the strangest phase of the existing system of revenue, — that we should import so many millions of dollars' worth of silks and wines entirely free of duty, at the very time when the Government had been compelled, by temporary loans, to keep itself in constant debt for four years past. So far from considering this as a matter of any delicacy, had the Senate the constitutional power of originating revenue bills, the very first thing he should move, in his place, would be to lay a tax on both these articles of luxury.

Were Mr. W. to draw an inference from the speech of the honorable member, it would be that it rather seemed to be his own opinion, and certainly seemed also to be that of the President, that it would be wiser to withdraw the whole or a part of the money deposited with the States, than to lay taxes on silks and wines. In this opinion Mr. W. did not at all concur. If the question were between such a withdrawal and the imposition of such a tax, he should, without hesitation, say, lay the tax, and leave the money with the States where it is. He was greatly mistaken if such a preference did not meet the public approbation. He was for taxing this enormous amount of twenty or thirty millions of foreign products imported in a single year, and all consumed in the country, and consumed, as articles of luxury, by the rich alone, and for leaving the deposits in possession of the States with whom they had been placed.

Mr. W. said he believed he had now noticed so much of the honorable Senator's speech as required a reply ; and he would resume his seat with again repeating that it had been no part of his purpose to ascribe either extravagance, or the opposite virtue, to the Administration in the purchase of Indian lands, or other transactions. That was not his object, or his point, on this occasion. He only wished to present a true financial view of the condition of our affairs, and to show that our national debt was much greater and more serious than a hasty reader of the President's Message might be led, from its perusal, to conclude ; and, however warmly it admonished the country against a national debt, yet these admonitions were all uttered at a moment when a national debt had already been begun, and begun in time of peace.











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